密勒氏評論報

THE WEEKLY

REVIEW

OF THE FAR EAST

Formerly Millard's Review

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THE WEEKLY REVIEW
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THE QUESTION OF THE RESULTS of the Washington Conference has become an elusive issue. Deadlocks and disagreements are becoming more frequent and it seems problematical whether there will be any tangible results from the assembly. The medieval diplomatic procedure of trades and alliances seems to have met an equal in a newly developing spirit for open negotiations and as neither of the two forces are willing to yield, the Conference has come to a standstill. However, there is one benefit that must be reckoned with in the Conference meetings and that is the definite fixing of the responsibility for present world conditions and for future disturbances, if there are to be such upheavals. In the questions of the Far East Japan has been shown to be the impeder. She has been revealed in her true light of a medieval power, believing in the doctrine of "might is right," unwilling to forego any of her ill-gotten gains in an attempt to bring the peoples of the globe together on a basis of friendship and peace. She has been shown to be an obstructionist of the most selfish and unheeding type. The passing of the German conception of a "place in the sun" has apparently had no effect upon her rulers and it is logical to suppose that she believes that she can profit by the mistakes of the former in dominating first the continent of Asia, and later other continents.

JAPAN has refused to make further concessions with regard to the Shantung railway, and with this is included the whole question of Japan's occupation of Chinese territory. She has shown that she has no desire for anything but a Japanese Open Door, which will mean the exclusion of all other Powers in so far as scheming and conniving can make such an exclusion possible. She has given her view that the Twenty-one Demands, one of the most infamous imperialistic documents in the world's history, cannot be abrogated and that China is to be regarded as her own particular field for territorial aggrandizement. She has been obdurate with regard to the naval disarmament pact and when yielding has seized upon the issue of submarines to gracefully withdraw, seeing that France and Italy would take the lead and cover up to a certain extent her own actions. The Quadruple Agreement with regard to the Pacific Islands, an innocuous document apparently formed to offer a graceful exit for the Anglo-Japanese Alliance, has been accepted by her but there was, no doubt, in the back of the minds of the ac-

cepters the realization that such an alliance, or pact or interchange of notes outlining positions would have a hard battle with the traditions of the United States in the Senate of that country. All in all Japan has been definitely stripped of her propaganda-formed robe of a peaceful nation under the cherry blossoms and has been thrown into bold relief as the disturber of peace in the Far East, and consequently in the world.

THIS much, at least, can be said of the Washington Conference, it has given the peoples of the world a better perspective of international relationships and has been an education for them in the ways of diplomacy. If there must be war then the peoples of the various nations will be going into it with their eyes open. If there must be increasing and excessive armaments then the individuals who are paying for it will know the reason why. Present events would seem to indicate that the great war just past did not make the world "safe for democracy" but only planted the germ of a thirst for further and more intimate knowledge concerning the relationships between the nations. The Washington Conference is a step forward in the awakening of a public consciousness that has heretofore been non-existent. To China the Conference should be a warning that under present circumstances she cannot expect the other nations of the world to fight and win her battles for her. She should see that she must not be an object of charity upon the part of the benevolent powers of the world but should stiffen herself to the task of bringing order out of chaos as soon as possible and standing on her own feet. She has been shown the insincerity of all of the platitudes uttered by Japan and her representatives, and she has been given every assurance that Japan's policy of the past will, unless checked, be her procedure of the future.

RUSSIA IS SEEKING COMMERCIAL and friendly relations with China, not the Far Eastern Republic at Chita but the Soviet at Moscow. Alexander K. Paikess, extraordinary plenipotentiary of the Russian Soviet government, has arrived in Peking, and has assurred China that his government has no designs on Chinese territory, will relinquish all rights to the Chinese Eastern Railway upon assurances of an outlet to the Pacific, and will withdraw the troops now stationed in Urga. A large circle of Chinese of the official and commercial classes are said to be urging the Peking government to conclude arrangements with M. Paikess as soon as possible. Russia has always been a fruitful field of commercial endeavor for China and the exchange of goods has been mutually beneficial. It was only Czarist Russia bent on concessions in Chinese territory that China feared—and that at a time when concession grabbing was in vogue. From a Chinese viewpoint there is much to be said in favor of resuming relations with Russia. It might be asserted that they are being thrown together by the predatory inroads of Japan for purposes of mutual protection. The commercial advantages are obvious. Friendly relations are desireable and with the disavowing of all former Russian concessions and benefits, China will gain from one country what she has sought to gain from others in the precedings of the Washington Conference. As far as the rest of the world is concerned the immediate effects of a treaty between these two countries amounts to little more than the conclusion of the Sino-German commercial agreement. If the agreement embodies a mutual defense clause then the future may hold forth more from an international standpoint, for such a conclusion would be directed, either openly or by inference, against Japan. A cementing of Russian-German and Chinese relations might mean another development, for China may bring from the Washington Conference a desire to tie up to any power from which help may be obtained. It is easy to believe that neither Russia nor Germany would scorn such an alliance. So far as Japan is concerned, she has created the situation and must abide by it. In the matter of the rest of the world it would be a complication brought on by a lack of agreement among themselves and a lack of pressure on Japan. What such an alliance would anticipate leads to a number of conclusions—all theoretical but all possible.

CHINA'S CABINET HAS BEEN reorganized and all parties interested, or who might be interested, have been placated, according to news reports. Liang Shih-yi, the financier, has overcome immediate opposition and has placed in office, with few exceptions, his original appointees. Chang Tso-ling, the Mukden general, has asserted himself forcibly, Tsao Kun, of the Chihli faction, has been satisfied and all is well for the time being. The question of where to place Wu Pei-fu has been answered—and the answer, news dispatches have it, is on the income side of the ledger: The man of the hour of a year or so ago has been definitely placed as a militarist. at least from surface indications, and no longer constitutes a sphinx in China's domestic politics. Chang Hu has been placed in the Ministry of Finance and his first official act has been to promised to raise $5,000,000 for troops, the lion's share of which will go to Wu Pei-fu. Wu in turn has intimated that he can bring the Szechuenese in line and that this phase of the domestic crisis will be settled. However, this will not solve any financial difficulties as the Szechuenese have paid their land tax up for the next three years. Yeh Kung-cho has taken up the post of the Ministry of Communications and by his management will probably offer a stream of revenue for such uses as are designated. Wu has asked for an allotment of the revenues of the southern section of the Peking-Hankow Railway, and so it stands.

THE new Cabinet, according to party line-up, has two Old Chiaotung representatives, Liang Shih-yi and Yeh Kung-cho; one New Chiaotung member, Chang Hu; four independents, Dr. W. W. Yen, Admiral Li Ting-hsin, Dr. Huang Yen-pei, and Dr. Wang-chung-hui; two Chang Tso-ling men, Gen. Pao Kwei-ching and Chi Yao-shan, and one Chihli man, Kao Ling-wei. Chihli loses most heavily by the arrangement. Just how the coalition Cabinet is going to work together remains to be seen. and it would seem somewhat questionable as to whether members of various parties holding varied political views and policies can work together. Dr. W. W. Yen, Minister of Foreign Affairs, it is reported, will resign after the completion of the Washington Conference and will recommend Wellington Koo or Alfred Sze as his successor. Dr. Wang Chung-hui has not accepted as yet, no announcement having been made, the appointment of Minister of Justice. The first action of the Cabinet in appropriating money for military expenses indicates that for the time being there has been merely a change of faces and not of policies. Foreign debts are not mentioned. nor are internal reforms, steps toward the unification of the country and the

strengthening of its domestic or international position. Apparently only the most urgent problems have come under scrutiny and the first of these is more funds for the militarists.

The Shantung Negotiations —Conference Sidelights

BY J. B. POWELL

WITH Chinese students holding mass meetings and parading the streets with banners containing such slogans as "Oppose Direct Negotiations," "Demand Unconditional Return of Shantung," and similar expressions of sentiment and opinion, Washington has taken on something of the atmosphere of Shanghai and Peking during the old days of the boycott following the announcement of the Shantung decision at Paris. There have been one or two demonstrations by Chinese students in front of the Chinese headquarters and on one occasion a banner containing a Shantung inscription was nailed to the door. The student headquarters in the Munsey Building is issuing a newspaper which is largely devoted to the Shantung problem and the Washington and New York newspapers are being deluged with communications reflecting various shades of opinion from crimson radicalism to conservative gray.

After reading many columns of argument on all sides and after personal discussions with leaders, attached both to the Chinese delegation and outside of the delegation but representing public organizations in China, who are in Washington observing the Conference, the matter seems to narrow down to the query: Are the Shantung negotiations now going on to be considered as a part of the Conference, or are they to be considered as private negotiations between China and Japan held here in Washington, but outside of the Conference?

The Japanese insist that the Shantung negotiations are outside of the Conference, but they display a singular lack of enthusiasm over their diplomatic victory in finally getting China into negotiations over the troublesome Shantung matter. The reason for their lack of enthusiasm is due to the presence at the Shantung conference of two Americans and two Britishers, all four of whom are experts on the Far East. On the Chinese side the presence of the British and American experts tends to inspire confidence and to neutralize the more radical elements who have opposed direct negotiations. The Japanese are reported to have announced that any decision, or lack of decision, arrived at in the Shantung discussions is not to be reported back to the general Conference on Limitation of Armament and Pacific Far Eastern Problems. The Chinese insist on their behalf that the results, favorable or otherwise, are to be reported back to the Conference.

The official announcements of the general Conference on the Shantung subject have doubtless already been printed in full in China, so that it is unnecessary to reprint them here, the chief element of discussion now being the status of the Shantung Case at the inception of the consideration of the matter. It is entirely possible that the Shantung Case will be entirely settled or ended in an impossible deadlock before these lines are published, and the fact that China has consented to enter into negotiation with Japan, with American and British exper observers present, does not detract one iota from China's case. The only visible effect is that the Shantung Case as a big outstanding problem has been robbed of some of its pyrotechnics and has been reduced to a problem that must be solved, and solved satisfactorily, or left unsolved. In short, we are now to discover whether it is solvable or is unsolvable, and what and who are blocking a solution. China's policy on the Shantung Case since the Paris conference has been based upon an absolute refusal to enter into direct negotiations with Japan, the natural fear being that a settlement with Japan in private negotiations would be a Japanese settlement and not a settlement which the Chinese people desire. The presence of British and American observers, or "friendly agents," or "mediators," or "judges," whatever they may be called, in fact, makes the Shantung negotiations an international matter and not a private matter between China and Japan. When the Shantung question was first brought up at the general conference, Secretary Hughes announced that he and Mr. Balfour had "extended their friendly offices," to China and Japan and that the offer had been accepted by both and that the discussions would begin at once, China and Japan each appointing three negotiators. It was later announced that Hughes and Balfour would be represented by J. V. A. MacMurray and Edward Bell on the American side, and Sir John Jordan and Miles Lampson on the British side.

If you would ask the man in the street regarding the merits or demerits of the present method of considering the Shantung Question, he would probably tell you offhand that it was being considered by the general committee on Far Eastern affairs. To those on the inside, it appears that the general conference has devised a clever method of considering the Shantung Case, that offers possibilities of arriving at a solution and at the same time saves everybody's face. From the standpoint of officialdom, and this includes China and Japan as well as Britain and America, there seems to be general satisfaction at the method adopted. There have been rumors to the effect that the French are offended that they were not invited to appoint observers to the present at the Shantung negotiations, but that is probably rumor only and not worth repeating.

The facts in the case seem to be that while the Shantung negotiations are technically being conducted outside of the general committee on Far Eastern affairs, in reality the negotiations are a part of the general conference and any agreement that may be arrived at, must be in conformity with the Open Door policy and more specifically the four Root principles which the entire Conference has agreed to. Whatever arrangement of the matter China and Japan may agree upon must be acceptable to the Americans and the British. This goes without saying. We are presupposing, of course, that the Shantung Case will be settled and settled right. The case of an absolute deadlock between China and Japan, would bring up a much more difficult situation which might threaten the success of the whole Disarmament Conference. The problem that the Conference faced in considering the Shantung Question may be stated briefly: In the first place four of the Powers sitting in the Conference have, through signing the Versailles Treaty, agreed to the transfer of the former German interests in Shantung to Japan. These powers are Great Britain, France, Italy and Japan. China, through signing the treaty with Austria, has become a member of the League of Nations, but by refusing to sign the treaty with Germany, has thus kept her record clear on Sha[redacted] America, by making a separate treaty with Germany and Austria, has also kept its record of opposition to the Shantung Deci-

sion entirely clear. In addition to signing the treaty with Germany at Versailles, Britain, France, Italy and Japan are bound by the secret Shantung treaties which were negotiated during the progress of the war. Then, of course, we have the Japanese Twenty-one Demands of 1915 which China partially agreed to after an ultimatum had been presented. There are still other elements such as the Anglo-Japanese Alliance but these are sufficient to show the difficulties of considering the Shantung Question in the general conference. With the present critical circumstances in Europe, with France, Great Britain and Germany at the points of a triangle, it can easily be understood how delicate the situation really is. The fact that China agreed to the present method of solution, appears at this early date to be a most happy one and deserving of much credit as an important contribution to the general good.

The Shantung Case is not, of course, settled. As a matter of fact, practically nothing has been settled, but many things are far on the road to settlement, and from China's standpoint she has already gained much at the Conference. From the standpoint of Japan, that nation has run pretty closely to form and her activities here have not been one whit different from her policy at Paris. Practically everything that has been brought up whether limitation of armament, Chinese tariff revision, abolition of foreign postoffices in China, abolition of extra-territoriality, abolition of spheres of interest, removal of foreign troops from China, has usually ended in agreement on the part of everybody except Japan. In some cases the Japanese have agreed in "principle," as they did to the Hughes proposal to limit naval armament, but their later action in refusing to agree to the 5-5-3 program showed just where the real trouble of the Conference lies. A few days ago one of the large metropolitan newspapers gave a luncheon to the foreign newspaper correspondents and Secretary Hughes attended as the guest of honor. In a brief address he expressed gratification at the progress of the Conference and of the general absence (up to that time) of discord or serious differences of opinion. Then he stated that the purpose of the Conference was to find out just how far the various nations could agree upon a settlement of the outstanding problems and, in cases where they could not agree, to find out what the specific trouble was and who was responsible for the lack of agreement.

Even the casual reader of the newspaper headlines, who knows nothing at all about the specific problems involved in the Conference, gets that impression Gradually Japan is drifting into the position occupied by a naughty school boy and perhaps the greatest accomplishment of the Conference thus far, and perhaps ultimately, lies in the fact that public opinion throughout America and the rest of the world is becoming acquainted with the real facts in the case. President Harding in his conference with the newspaper correspondents yesterday (December 2) emphasized this important fact: That the response of the American people to the aims and purposes of this Conference had been nothing short of wonderful and perhaps the most gratifying exhibition of public—consciousness since the establishment of the American republic. One of the interesting phases of public interest in the Conference has been in the amount of mail pertaining to conference problems and general world peace, that the Conference itself and the various delegations are receiving. George Sutherland, chairman of the American advisory committee, recently stated that literally tons of mail is being received daily by the Conference and individual delegates and delegations from that mysterious and elusive individual known as Mr. Private Citizen. He is taking a deep interest in the Conference and is writing in about it in the form of poetry, resolutions, quotations from the Bible, suggestions constructive and destructive, and criticism. It is said that the Chinese delegation had to employ extra stenographic assistance to help them acknowledge the hundreds of letters and telegrams of congratulations that followed the enunciation of the Chinese Ten Points at the opening of the committee discussions on Far Eastern problems. And if the Chinese are being congratulated on their stand, then we may assume with a considerable degree of accuracy that the Japanese are being criticised for the more or less disappointing policy of obstruction which they have adopted at the Conference.

There is still one big outstanding problem that the Conference as a whole has not yet touched, and that is the Anglo-Japanese Alliance. An article by Charles G. Ross on this subject, which is published in this issue of the *Review*, summarizes pretty accurately the present status of that question. The announcement of two days ago that Premier Lloyd George of England is planning to sail for the United States on December 12 to join the Washington Conference, has lead to the speculation that his purpose will be to propose a solution of the Anglo-Japanese Alliance dilemma. One speculation is that he will propose a tripartite agreement on the part of America, Great Britain and Japan to take the place of the Anglo-Japanese pact. Another suggestion and probably a better one, is that a general understanding or compact or treaty to be participated in by all of the Pacific powers, China included, will be the answer to the Anglo-Japanese Alliance.

"Well, just what do you think of the Conference?" is the question most often asked in Washington, and to give an answer that would satisfy all or even a few of the various elements interested in this meeting, would require a super-mind. Perhaps a few quotations from today's newspapers (December 3) will constitute the best answer. I quote the following from an editorial in the *Washington Times (Hearst)*:

> "What has the Disarmament Conference accomplished? The continent of Europe will not disarm; the wars will not end; the rule of force will not cease; peace will not reign. That is settled. The countries of Asia will not be returned to their peoples; the spoilation of China will not be made good; America's prestige and sea-ways in the Pacific will not be restored; the Anglo-Japanese alliance will not be abandoned. That, too is settled."

This editorial ends up in general argument that America should have nothing further to do with a corrupt and bickering world, but should arm to the teeth to protect herself against aggressive nations that are ready to steal her riches at the first opportunity. From the *New York Times* of this morning, I quote the following opening paragraph from a special article by Edwin L. James, Washington correspondent:

> "Japan will accept the 5-5-3 naval ratio provided she gets what she regards as a fair settlement in the Far East adjustment and provision is made for compensation for what she would lose under the abandonment of the Anglo-Japanese alliance."

From the *Baltimore Sun*, from an article by John W. Owens, special staff correspondent, I cull this paragraph:

"In some quarters the belief prevails that when the long conference (between Hughes, Balfour and Kato) was over there was a clear understanding between the three statesmen of what has been accepted in Washington for several days as the fact, namely, that Japan will agree to the 5-5-3 ratio, but will not sign on the dotted line until various Pacific and Far Eastern issues have been settled."

The *New York Herald* states the case thus:

"There is good reason to believe that the agreement, which it is believed has been practically completed, will go further than an acceptance of the 5-5-3 naval ratio proposed by Secretary Hughes. There are indications tonight that Great Britain and Japan have agreed upon the abandonment of the Anglo-Japanese Alliance, and the substitution of an understanding among the United States, Great Britain and Japan, that will not be in the form of an entangling alliance, but will be none the less a guaranty of future peace in the Pacific."

The *Washington Post*, generally considered to be close to the present Administration, in a copyrighted article by Albert W. Fox, special editorial correspondent, states it this way:

"Japan has agreed to disregard the Shantung provisions of the treaty of Versailles in the discussions now going on with China, thereby yielding at last to one of the main Chinese contentions in the whole controversy. Incidentally, the position which the United States Senate took with respect to these provisions in the historic battles over the treaty and the League during the last administration is strikingly vindicated."

The *Washington Herald*, a newspaper in which Secretary of Commerce Hoover has a substantial interest, in its leading article, starts out in this fashion:

"China has sustained her first material setback in the armament conference. It was not a very serious reverse. But it indicated, in the minds of those who are most interested in the results of the present gathering, that the final outcome for China will be promises based upon demands for demonstration of governmental stability rather than any arbitrary agreement that existing treaties shall be scrapped and the old Chinese empire handed back territorially to the present republic."

The foregoing excerpts indicate rather accurately the trend of opinion in respect to the present Conference. In addition to these expressions of opinion, all of the papers today carried dispatches emanating from the White House to the general effect, as one writer expressed it, "While Washington alternately frowns and smiles over rumors of 'crises,' 'deadlocks,' and 'demands,' there is still a general atmosphere of confidence at the White House over the outcome of the Conference on Limitation of Armament. President Harding receives daily reports of the progress of the Conference from members of the American delegation, usually from Senator Lodge, although Secretary Hughes keeps in close touch with the executive offices. Instead of showing any impatience, the President is understood to feel that the Conference has gone ahead too fast, and to visitors he has expressed optimism as to the result of its deliberations."

I recently heard two further observations by persons competent to express an opinion on international politics that provide additional thoughts of some significance. One expression followed Secretary Hughes' announcement of the American program for limitation of naval armament. In his address to the plenary session of the Conference, Secretary Hughes frequently used the word "scrap," when he meant the *destruction* of battleships. The observer, whose name I am not at liberty to mention, summed it up in this sentence.

"Well, it looks like a case of scrap or scrap," using the word "scrap" in the latter sense to mean, in picturesque American slang, *to fight*.

The other observer, who shall likewise remain nameless, summed it up this way:

"It seems to me that this Conference will demonstrate conclusively whether it is possible for statesmen and diplomats to get together and through peaceful discussion remove the causes of war. Failing that, if it is demonstrated that it is impossible to remove the causes of war through peaceful discussion and it still remains necessary to fight, then the Conference will make out a perfectly legal and moral program for the next war which they believe to be inevitable."

If one could get entirely away from the conflicting rumors and cross currents, which are a necessary adjunct of the Conference, and view the gathering from some distant place like the planet Mars, there are three distinct elements that make this conference different from the Paris gathering. The first element is the frank and open publicity and discussion in the press of the subjects brought up in the various meetings and committee gatherings. The second encouraging element is the better and more wholesome atmosphere of Washington which is so far removed from the depressive atmosphere that prevailed at Paris and of present day Europe. The third element, and perhaps the most important, is the entire absence from this gathering, up to the present, of the disposition to settle problems and principles by trading. It has been stated emphatically by spokesmen for the American delegates and the Administration that this conference will not be permitted to descend to the sordid status of a horse trade that was responsible for most of the after troubles of the Paris Conference. Observers, who saw President Wilson start out at Paris on a pedestal of righteous principles and then later on saw him descend into secret compromises, are prophesying similar descents for Secretary Hughes. Briefly they put it this way: Japan has maneuvered around to find out just what America most desires and believes that this desire is expressed in the 5-5-3 program for limitation of naval armament. Therefore if America has decided that she must have this program, then in consequence America will be finally forced to trade off her principles for a proper settlement of the Far Eastern problems in order to get the limitation of armament program through. Now from the standpoint of the British, the pessimists argue this way. Great Britain believes that the great single thing America desires from this conference is the abrogation of the Anglo-Japanese Alliance. Therefore, if America has her heart set upon this, naturally in consequence she will be forced to make sacrifices elsewhere, either on the matter of joining in a tripartite agreement to maintain the *status quo* in Asia, or to enter into an alliance with Great Britain to control the world, for a good long period at least, by the very economic and military weight of America and Great Britain acting together. The proponents of both of these theories, overlook, in the

opinion of the writer, the temper of the American people at the present time.

The entire history of the causes leading up to the calling of the Conference on Limitation of Armament has not yet been told and may not be for some time, but it does not require any great degree of perspicacity to understand the reasons for the call for the Conference. The American people could not understand the reason for large outlays of money in the form of taxes to be used in the further construction and maintenance of battleships. The Administration, upon the advice of its diplomatic and military experts, did not dare to cease the construction of engines of war, because of the knowledge that dangers still existed. And when an analysis of the possible dangers was made, all signs pointed toward the Far East. Therefore it narrowed down to the simple question of disarm or show the American people, who are footing the bills, why it would be dangerous to disarm. The call for the Conference was a natural result and the call was inevitable for America was out of the League and out of European entanglements. From the standpoint of participation in European affairs, the American tax payer, who is paying heavy taxes largely because Europe can not pay its debts to this country, cannot understand why countries that can not pay their debts should continue to arm even after the chief European foe has been humbled and made helpless for a considerable number of years to come.

The Conference has now been in session for nearly a month and to state the case baldly the American people have learned, rather accurately, about many things pertaining world problems regarding which previously they knew but little. In the humble opinion of the writer, and it is nothing more than a personal opinion, the American people are now solidly behind the Administration in its plans for world betterment. If Japan does not agree to the American program for limitation of armament, then the American people, and this includes the representatives of the people in Congress, will not destroy their battleships. If it is to be a case of competition in armament, then America will accept the challenge and the devil take the ones who can not stand the strain. From the standpoint of the Far East, practically the same condition exists. America is not going to permit the Conference to end, nor to gradually die out with first one delegation and then another dropping away. The policy of the Administration seems to be to take up the easiest problems first and to establish as far as possible the practice of agreeing to just principles. Then with precedents established, the more difficult problems will be approached. As the Conference progresses, public opinion is being educated, and this constantly reacts upon the stamina of the American conferees and also upon the other delegations present at the Conference. In many respects it resembles the gradual evolution of public opinion in the United States in respect to participation in the European War. First America was shocked, then horrified, then exasperated and then righteously mad. The next step was fight and the whole financial, economic and military weight of the United States was thrown into the struggle, to win. H. G. Wells, the English writer who is covering the Conference, has constantly reiterated the statement that *America has the power* to make the Conference a success. Mr. Wells is exactly right. America has the power, if she knows how to use it. As the Conference progresses, the American people are being educated on the problems and the means for a just settlement. Finally, if the Conference lasts long enough, they will know how to use their power and how to keep their leaders in line. When that time comes, if it should be necessary, America will use her power, and the reason will be exactly as H. G. Wells expresses it, "to save civilization from degenerating to the condition of the dark ages." And the final settlement, whether this year or next, will be a just settlement in the light of the best interests of all peoples concerned—or to make a slight qualification as just as human nature as at present constituted can be just.

Washington, D. C. December 3, 1921.

The Soviet Mission in Peking

BY HOLLINGTON K. TONG

FAILURE on the part of China and the Russian Far Eastern Republic at Chita to arrive at a commercial understanding has brought M. Alexander K. Paikees, extraordinary plenipotentiary of the Russian Soviet government, to Peking to try his luck. Thoughtful Chinese, with whom the writer has conversed on the resumption of relationships between the two countries, have admitted the necessity for it. They deplore the circumstances which are preventing a reapproachment at an early date, and hope that the representative of Soviet Russia will be more fortunate than his colleague from the Far Eastern Republic.

The few outstanding difference between China and Russia can be solved without difficulty if the latter sincerely desires China's friendship. The most grave of them concerns the withdrawal of Russian troops from Urga, Mongolia. The Russian troops, who penetrated into the interior of Mongolia in hot pursuit of Baron Ungern's force, which made Urga its stronghold, early in this year, have since held it in opposition to the Chinese troops. The Far Eastern Republic and Soviet Russia, considering Baron Ungern as plotting against their safety by using Mongolia as his base of operations, sent this combined force overland and drove Ungern out of the territory at a time when General Chang Tso-ling, the Mukden War Lord, was making elaborate preparations for an expedition against the same menace and demanding millions upon millions of dollars to defray the expense of the venture.

Negotiations for the turning over by Russia of Urga and the neighboring territory followed. They were not successful, inasmuch as M. Yourin, representative of the Far Eastern Republic in Peking, endeavored to use the withdrawal of Russian troops from Urga as an article to exchange for other things and found the Chinese with a strong aversion to such a diplomatic procedure. The Chinese recalled that before the entrance of the Russian force into Mongolia, both Soviet Russia and the Far Eastern Republic had given their word of honor to China to the effect that they would withdraw from Urga as soon as their object, the expulsion of Ungern and his men, had been accomplished. The object has long been accomplished, and the Russian men at arms are still controlling this section of Chinese territory.

Reports are now being received, however, concerning the retiring of the troops of the Far Eastern Republic from Mongolia in consequence of China's repeated protests. The troops of Soviet Russia

remain in Urga. The envoy from Soviet Russia has confirmed this news. M. Paikees, in an interview, said that the remaining Soviet troops had been ordered to leave Urga as soon as the danger was over, He explained that they had entered Mongolia for the sole purpose of suppressing the Russian White Guard bands and for no other purpose, and that their presence there was of a temporary nature only. His government, he declared, entertained no aggressive designs on Chinese territory.

Such being the attitude of the representative of Soviet Russia, it should not be difficult to reach an understanding with regard to the withdrawal of troops from Urga. The other outstanding difficulties between China and Russia are less serious and can be disposed of without much trouble. At one time the question of the Chinese-Eastern Railway was considered as grave. It now ceases to be so. The Soviet envoy declared in an interview that the Soviet government, as the successor of all former Russian governments, does not entertain any of the plans and uses of the imperialistic government of Russia and that, recognizing the sovereignty of the Chinese government over the whole territory of China, Soviet Russia is prepared to hand the railway over, without compensation of any sort, to the Chinese Republic upon conditions guaranteeing that it will remain in China's hands. When he was questioned as to whether the Soviet would require guarantees of free access to the Pacific, he stated that Russia, and particularly the Far Eastern Republic, was naturally economically interested in maintaining an outlet to the Pacific over the Chinese Eastern Railway.

"This question," he said, "interests us very much, and may arise, but I am unable to say whether it will come up in connection with the status of the Chinese Eastern Railway."

The attitude of the Soviet representative, as revealed in his interview, is as reasonable as can be. Since his arrival at Peking he has created a favorable impression. It is hoped by all classes of the Chinese people that he will be more successful with the Chinese government than was the representative from the Far Eastern Republic. Russia and China should be on the best of terms. Their interests are closely interwoven and related. Mutual assistance would prove each other's salvation in more than one way. Farsighted statesmen of both countries have sought to strengthen their relationship, but one circumstance after another, unfavorable to the realization of their ambition, has arisen to intervene.

The number of Chinese who are anxious to see the early resumption of relationships between Russia and China is growing. While backing their government on the stand of not yielding over the Urga question they are blaming their Foreign Office for the failure of the Yourin negotiations of last year, and blaming the Mukden War Lord for opening the trunks of Yourin's staff, which were alleged to contain inflammatory documents of a Bolshevik character If the Soviet representative will be consistent in his attitude on the Chinese-Russian questions with the stand that has been revealed in his first interview, he will receive the support of the pro-Russian Chinese, who will agitate for the early completion of whatever negotiations he may conduct that will eventually lead to a treaty, even of commercial nature.

Russia has hitherto been shunned by all the Powers as something dreadful, Japan once tried to negotiate for a commercial treaty but failed. Great Britain has concluded one with Soviet Russia. All the other countries whose statesmen are less farsighted have been persisting in maintaining what they call a disinterested attitude and refusing to have anything to do with her. Whether their policy is right or not they know best, but China is differently situated and by necessity has to adopt a different policy in dealing with Russia.

It is wrong for China to follow in the footsteps of the other countries in the shaping of a Russian policy. Unlike Japan, China should live on cordial terms with Russia. Both China and Russia are outcasts, so to speak, and both are despised by the so-called civilized nations. They should try to work out their own salvation separately but sympathetically. Whatever China may do for Russia in a friendly spirit at this moment will long be remembered by Russia. The cooperation of these two countries will insure peace in the Far East. The majority of the Chinese are convinced that Russia, either Soviet or Far Eastern, has no territorial ambitions with regard to China. This is the prevailing view on the Chinese-Russian question that is obtaining in all political and social circles in North China today.

Peking, December 23, 1921.

The Anglo-Japanese Alliance at the Conference

BY CHARLES G. ROSS

Washington Correspondent of the *St. Louis Post-Dispatch*.

NO uncanny powers are needed to perceive the chief desideratum of Great Britain in the Washington Conference is a tripartite understanding among Great Britain, the United States and Japan that would render the Anglo-Japanese Alliance obsolete. This fact, of course, is not set forth in the official communiques from the secret sessions of the Conference, but it nevertheless sticks out all over the map.

In the last few days there has been a curious recrudescence of the talk about the Anglo-Japanese Alliance, curious, that is to say, unless one is aware of the currents that trouble the waters under the smooth surface of diplomatic interchanges. After a period, in which the Alliance was mentioned in news dispatches in a casual, past-tense way, as if its abrogation would automatically be brought about by the result of the Washington gathering, responsible spokesmen of the British group began suddenly to lay stress on the thought that the Alliance still existed and that Great Britain had no intention of "throwing over" an ally.

There is only one possible explanation of this shifting of emphasis. Japan was beginning to get offended at the constant reiteration of the idea that her pact with Great Britain had served its usefulness and was to give way before a newer understanding between Great Britain and the United States—Great Britain, to put the case bluntly, must have seemed to the Japanese to be doing her wooing too openly. Japan has no objection to an agreement between Great Britain and the United States, with respect to the Pacific and Far Eastern problems, but that agreement must include Japan as a third party. The island empire is not to be isolated.

In deference to the justifiable sensitiveness of Japan on that point, the British let it be known that

nothing in the proceedings of the Conference to date warranted any assumption that the alliance was about to be terminated.

British statecraft is directed toward the goal of a three-cornered alliance. The empire is sincerely desirous of a close-knit relationship with this country. Her statesmen realize that a large section of American opinion, to say nothing of the majority opinion of the British dominions and the highly articulate opinion of English liberalism, sees in the Anglo-Japanese Alliance a shield for continued Japanese aggression in China. Though the jingoistic theory that the alliance would compel Britain to fight by the side of Japan in a war against this country has been pretty well exploded, opponents of the Alliance nevertheless, feel that it menaces the good relationship that should exist between the two great English-speaking countries.

Great Britain wants the friendship of this country. For obvious reasons, one of them being the trouble that Japan could make in India, she wants also the continued good will of Japan. The only solution of her difficulty is an agreement or treaty embracing both America and Japan.

It was a shrewd move that the British press service made the other day when it got the Australian viewpoint before the newspapermen reporting the Conference. Everybody knows that Australia, the far outpost of the British Empire, is even more rigid in its exclusion of Japan than the west coast of America. Consequently, if Australia came into the limelight with a pronouncement against an abrupt severence of the Alliance, Japan would be reassured. Americans, moreover, would learn how eagerly the dominions would welcome a new arrangement including both Japan and America.

On behalf of Australia, it was emphasized, therefore, that that Democratic commonwealth, whose proudest boast is its "white Australia" policy, regarded the Japanese as honorable allies in the war, entitled to a square deal. It was explained that the exclusion of Japanese from Australia was based solely upon economic and not on racial grounds, and that this exclusion was effected by a literary test general in its application and not invidiously singling out the yellow race.

But, and this is a very important but, the Australian spokesman made it plain that Australia desired the completest and most harmonious understanding with the United States, and that Australia would infinitely prefer to the present arrangement an understanding that would take in both Japan and the United States.

This candid exposition of the attitude of the island commonwealth is an accurate reflection of the policy guiding the British delegates in the Conference discussion of the Far East.

Washington, D. C. November 26, 1921.

Political Changes in Peking

BY Y. S. YU

AS a sequence of the recent runs on the Bank of China and the Bank of Communications, General Chin Yun-peng has resigned as Prime Minister, and before the publication of this article, a new Cabinet will probably have been formed by Liang Shih-yi, commonly known as "God of Wealth." General Chang Tso-ling, the Mukden War Lord, who has power to make and unmake cabinets overnight, has played a leading role in the present political changes. At his request, General Tsao Kun, High Inspecting Commissioner of Chihli, Honan and Shantung—better known, perhaps, as the Paotingfu War Lord—is now visiting in Peking. The two mightiest of the Northern military leaders will remain in the Capital until the new Cabinet is formed.

One of the reasons which has brought the Mukden General to this city is his determination to control the Bank of Communications. Some time ago he offered the sum of $3,000,000 in cash as a bait to take over that institution during the most critical time of its history. Prime Minister Chin Yun-peng, Chang Chih-tan, Minister of Communications, and other high officials, who were holding office by his grace, evidently failed to carry out his wish. He lost face. In order to recover it, he has taken a trip to Peking personally to negotiate with regard to the banking business and also to force China's resignation and thus secure a Cabinet reorganization. At first one of the real reasons why the Mukden General is visiting in Peking at this time of the year was not generally and definitely known, but it cannot be longer concealed, clever though he may be.

Had it not been for the recent runs on the two leading banks of China, General Chang Tso-ling would not have thought of extending his influence over China's banking interests, and would not have come here to expel Chin from the Cabinet. Prior to the banking trouble, the feeling was general in the country that Chin, though incapable he had been as an administrator and though he had been charged with corrupt practices, should be allowed to remain at the head of the Cabinet until after the Washington Conference. It was pointed out that any political change in Peking at this moment would reflect discredit upon China and would weaken the position of the Chinese delegation in the American Capital which in turn would strengthen the propaganda of the Japanese and other nationals that the Peking administration was not supported by the people. But General Chang has thought otherwise since his personal interests have become involved.

His mind being fully made up as to what he wanted to get, General Chang did not find it difficult to get it. He arrived in Tientsin on December 13 and stayed over until 9 o'clock on the morning of December 15, when he departed suddenly for Peking, leaving behind Prime Minister Chin, who had specially gone to Tienstin to welcome him. On the afternoon of December 15 the Mukden War Lord had an audience with President Hsu in the Presidential Mansion. In the course of the conversation, the Chief Executive told many tales of woe, and according to reports, complained of Chin's inability to cope with the political situation, which became increasingly more difficult. On the same evening, when General Chang saw Prime Minister Chin, he told him exactly what the President had said to him without the slightest reservation. "Under such

circumstances I cannot remain in office" was the remark of Chin after having listened attentively to the Mukden General's discourse. The reply from General Chang was as dry as it could be. "How could you remain in office?" he said.

The following day Chin showed no disposition to hand in his resignation quickly. A rumor had to be set afloat to the effect that on the evening of December 15, Chin had handed in his resignation and that on the morning of December 16, the President had accepted it. The source of the news could be traced to the headquarters of General Chang and also to the Presidential Mansion. Before the day was over, the news had reached General Tsao Kun in Paotingfu. Inquiries about the truthfulness, or otherwise, of it were addressed to Chin by many of his friends and supporters. Chin then realized the hopelessness of his position and decided to quit. That was what the clever and skillful military man from Manchuria had intended by the circulation of the rumor.

On the morning of December 17, Chin called a Cabinet meeting, and it was unanimously decided to hand in a resignation *en bloc*. The letters of resignation were sent to the President by all of the Cabinet members soon after the meeting. The next morning, the President accepted Chin's resignation and urged the other members to remain in office, pending a full Cabinet reorganization. Dr. W. W. Yen, Minister of Foreign Affairs, was appointed to act as Prime Minister. In accepting the responsible office, Dr. Yen declared that he would consent to act only for one week. In other words he expected to have a new Cabinet formed during that brief period.

The personnel of the new Cabinet as tentatively decided upon is as follows: Liang Shih-yi, Prime Minister; Dr. W. W. Yen, Minister of Foreign Affairs; Chi Yao-shan, Minister of the Interior; Admiral Li Ting-hsin, Minister of Navy; Dr. Wang Chung-wei, or Kiang Yung, Minister of Justice; Wang Nai-ping, Minister of Agriculture and Commerce; General Chao Yu-ho or General Wang Chen-ping, Minister of War; Kao Ling-wei or Chang Hu, Minister of Finance; Yeh Kung-cho, or Hsu Shih-jang, Minister of Communications; Chang I-ling or Fu Yu-feng, Minister of Education. Had it not been for General Tsao Kun's opposition to the appointment of Chang Hu as Minister of Finance, the new Cabinet would have been formed.

President Hsu Shih-chang would like to have Mr. Liang to act as Minister of Finance concurrently. General Chang Tso-ling has been insisting upon the selection of Chang Hu, his friend, for the position. General Tsao Kun has been urging that Kiao Ling-wei, present Minister of Finance, be retained in the new Cabinet. Unless two of them yield, the situation is full of danger. It may serve to increase the present unfriendly feeling between Mukden and Paotingfu. In fact, General Chang has threatened even now to return to Mukden and not to mingle further in political affairs. He has gone as far as to have ordered a special train to take him and his staff away from the Capital. General Tsao Kun has done likewise. At one time the outlook appeared very dark. Mediators got busy and the feeling was eased up.

It is a certainty that Liang Shih-yi will head the Cabinet and that the new Cabinet will be officially formed in less than a week's time. If the organization of the new Cabinet is not announced in seven days a serious situation may have arisen, namely, differences of views between General Tsao and General Chang may have become so acute that they may depart from Peking with hatred for each other. Such a situation is not expected if the present attitude of General Tsao can be taken as a standard of his conduct. At first, the Mukden General thought that the Paotingfu General might not approve of Liang Shih-yi organizing a new Cabinet, and consequently, invited him to Peking for consultation. Tsao's acceptance of the invitation indicated that he would not go against Chang. When he arrived in Peking, he agreed to support Liang's cabinet upon the urging of Chang. The difference of views over the personnel for the portfolio of finances has developed as an afterthought.

In the matter of a new Cabinet General Tsao, to start with, was not much interested. Originally he wished to maintain the Chin Cabinet. Of late, Chin and his lieutenant, Chang Chih-tan, Minister of Communications, had been friendly to him, and it is said, even more friendly to him than to General Chang Tso-ling, who had been a faithful supporter of the Chin Cabinet for some time. Least of all, General Tsao desired a change of the Chin Cabinet friendly to him at this particular time. As he did not want any cabinet change, General Chang Tso-ling very much wished it. The Mukden General wanted to expel Chin and his followers who had proved unfaithful to him. He has realized his ambition gradually.

One explanation why Liang has been desirous of organizing a new Cabinet at the request of the President and General Chang Tso-ling is his intention to save the Bank of Communications, the rallying-point of his political party, the old Communications clique. It is admitted by his followers that the Bank of Communications has not been managed as efficiently as it should be, and they are sorry for it. When the crisis came, they were not prepared to meet it. If the bank had collapsed, some of its supporters, leaders of the Communications clique would have been personally affected thereby. One leader announced that he would be bankrupt when the crisis was at its height.

One way of saving the bank and his followers is for Liang to head a new Cabinet. In his official position he may be able to find means for its salvation. It is commonly known that the old Communications clique in undertaking the organization of a cabinet runs some risk. Political leaders believe that no one can successfully organize a cabinet at a time when the country is going to the dogs. The foreign loans to the amount of $50,000,000 have fallen overdue, North and South China are still far from being conciliated and the Northern militarists are as powerful as ever before. Basing their views upon this, they are predicting an early fall for Liang personally and for his party as well, from which he cannot rise and his party will gravely suffer.

One sinister rumor in extensive circulation in consequence of the political changes is the widening of the breach between General Tsao and General Chang. In some quarters it is feared that Mukden and Paotingfu may some day come to an armed conflict. As things stand today, Mukden is being supported by the old Communications clique while Paotingfu has former Prime Minister Chin Yun-peng and Minister Chang Chih-tan as its supporters. A careful consideration of the relative strength will show that Paotingfu is in a less favorable position. Militarily Mukden is much stronger. It has been

strengthened by the addition of the brains of the Communications clique. It is difficult to explain why Paotingfu should welcome Chin Yun-peng and Chang Chih-tan as its allies. They are no match for Liang Shih-yi and Yeh Kung-cho.

In the meantime, busy-bodies are harping on the growth of ill-feeling between Paotingfu and Mukden. They say that before the next summer is seen, the two military camps will be at loggerheads. If the two powerful generals decide to fight for supremacy, both are in danger of losing their influence. Like China and Japan, they have to co-exist, it is pointed out by one of General Tsao's followers. General Tsao's military strength is sufficient for the territory he controls. He has 80,000 troops under General Wu Pei-fu's command in Yochow, and 40,000 in Shensi under General Feng Yu-hsiang. General Chang Tso-ling needs all the troops he has in Manchuria and for the patrolling of the territory through which the Chinese Eastern Railway passes. Neither general has enough military force to occupy the other's territory and at the same time to be able to look after his own territory. A conflict between the two will be disastrous to both.

Peking, December 23, 1921.

The Washington Conference

(Covering the period from Thursday, December 22, to Wednesday, December 28, 1921)

DURING the weeek preceding the Christmas holidays, the Washington Conference began meeting its first serious difficulties, according to the news reports received in China, and the harmony which characterized its opening sessions has apparently been lost. Disagreements have been registered in the matters of naval disarmament and in the Shantung question, Japan blocking the latter issue. The possibility of the acceptance of the Quadruple Agreement by the United States Senate and people has also been lessened, according to recent news cables.

The Shantung discussion has apparently come to a deadlock over the question of the control of the Tsinanfu-Tsingtao Railway, Japan insisting that it be a jointly operated and China refusing to recognize this desire. Alternate proposals are being discussed, according to a dispatch dated December 24, but in the event that these fail, the proposition will again revert to the joint control issue.

The Japanese wants to appoint an associate chief engineer, traffic manager and accountant for the line, China acceding to the desire for the appointment of an engineer but refusing to recognize the other two offices. The Chinese delegates, according to the dispatch, have placed their country on record as being willing to accept the railway on a basis of paying for it in ten annual installments, with the option of paying for it in three years. They also offer the alternative of paying for it within nine months in three installments. It is said that the Japanese are willing to accept the cash payments within nine months but insist on controlling the railway during that period. China has definitely refused to accept any loan for the payment on the railway from Japan.

The attitude of Japan toward this matter is taken to be, from an *Eastern News Agency* dispatch, dated Tokio, December 25, that there is no more room to concede anything though the negotiations may be stopped.

The Twenty-one Demands are apparently being approached with caution as little or no information regarding their consideration has been received. The Japanese attitude, according to a Peking report, dated December 24, is: "The Japanese have taken the stand that if the Twenty-one Demands are cancelled, the South Manchurian Railway will be affected. They therefore hold that the rail problem must be discussed first and that they be given assurance that the status quo will be maintained. Their position is that they are not willing to abrogate the Twenty-one Demands."

A further light on this subject is contained in a *Reuter* report of December 23, which says: "The Japanese are reported to have declared that they will formally oppose discussion of the validity of the Twenty-one Demands, if the Chinese carry out their expected intention to bring the matter up at today's meeting of the Far Eastern Committee." The general tone of the dispatches with regard to all Far Eastern questions is that with Japan in its present attitude there is little hope of an equitable settlement being made.

The presence of Japan in the island of Saghalien, in the northern half occupied during the Allied intervention in Siberia, has come up during the period under review. When asked if the Quadruple Agreement sanctioned the presence of Japan in the island of Saghalien, an American delegate indicated that it did not and that this was an open question.

Submarines form the bone of contention that has precipitated a deadlock in the naval disarmament conferences. France, while accepting the naval allotment of 175,000 tons, maintains that she should be given a minimum submarine tonnage of 90,000. Numerous representations have been made by American and British delegates outlining the need of auxiliary craft to support such a submarine tonnage but, the news reports indicate, that France is standing firm.

In this stand Italy and Japan have joined France: The former asks that her naval establishment be the same as that of France. Japan, while accepting the capital ship program, desires three-fifths as much submarine tonnage as the largest proposed. Lord Lee, of the British delegation, has made an urgent appeal for the complete abolition of submarines.

The submarine program as it stands today, according to *Reuter*, cuts down the existing tonnage of Great Britain and the United States to one-third of its present strength, giving France, 42,000 tons, Japan, 32,000 tons, and Italy 22,000 tons.

The Quadruple Agreement is under fire in the United States both from the press and from Senators, the leaders in the latter group being Senater Borah, who first proposed the calling of a disarmament conference, and Senator Reed, a Democratic reactionary. The immediate cause of the movement is apparently an interpretation placed upon the pact by President Harding. A *Trans-Pacific Public Ledger* dispatch says that a statement from the White House has been made to the effect that President Harding does not believe that the agreement covers Japan proper in its provisions. This statement was said to be based on information given that the American delegates agreed to the construc-

tion that the treaty does not cover Japan proper and that the President has no objection to the construction.

"The Senate opposition has seized the point and is attacking the treaty as being so ambiguous that even the heads of the government are in disagreement as to its actual meaning and extent," the dispatch continues. "Senator Borah is leading the Senate attack. It is also seen as a significant factor that the leading New York papers, including the *Times, World, Herald, Evening Post,* and *Globe,* oppose the inclusion of submarines. The first press reports on the treaty also criticise its ambiguity."

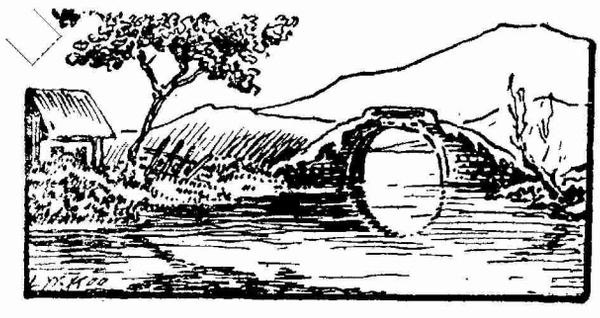
A second statement made by President Harding, according to a *Reuter* dispatch of Washington of December 23, declares that any differences in the interpretation of the Pacific treaty are not important and contains the assurance that the pact, which did not contemplate any alliance or entanglement, is in full accord with American traditions.

Two utterances of importance have been made during the week. One of significance was made by President Harding as a Christmas message. The contents follow: "I have a feeling that mankind will become wise enough to sit down before war and try to settle it. That is the object of the Four-Party Treaty and that is why I say that the small lack of agreement in construing it, has no significance. If there were a menace to peace in Japan what objection could there be to the United States sitting down with its friend of the Orient and other Great Powers and discussing how the matter could be adjusted. The whole purpose of the Conference is to provide some means whereby the just, thoughtful and righteous peoples, who are not seeking to seize something not belonging to them, can live peaceably together. This is the British heart, the Japanese heart, the French heart, the Italian heart and everywhere in the world. There is a new spirit seeking and impelling peace and it must add to our Christmas happiness."

The second statement is an interview with Senator Borah, with regard to the situation in Europe, dated Nauen, December 22, transmitted by the *Chung Mei News Agency* of Peking: It follows:

"If the Versailles Treaty is not completely revised and remodeled no power on earth can save Europe from ruin. The United States does not command sufficient energy, funds and economic possibilities to save her. Consequently disarmament is the premise for bringing about peaceful development and the restoration of economic order, without which all efforts to reestablish stable conditions in Europe will mean simply the squandering of time and money. The simple cancellation of war debts will accomplish nothing unless it is accompanied by the will to disarm.

"The consequences of the undoubted insolvency of Germany are incalculable, although a certain class of persons cherish the illusion that Germany can be destroyed without dragging Europe to ruin with her."



Current Press Opinion on Far Eastern Affairs

The Washington Conference

As Seen Through the Chinese Press

Although the most vital problems that have come before the Washington Conference were the question of naval restrictions on the basis of the 5-5-3 ratio and the question of safeguarding China's sovereign rights as a means of averting those perilous developments that will ultimately lead to a disastrous war on the Pacific, the Shantung Question and the Twenty-one Demands have been handled in a manner that has more than confirmed the opinion widely held by the Chinese people that the Conference has only nominally sought a fundamental solution of the Pacific problems, and that both the United States, the chief spokesman of the ideals set before the Conference, and Great Britain, whose influence more than that of any other nation could have paved the way for the rectification by the Conference of the errors made at Versailles, have contented themselves with a superficial settlement of China's case in spite of the large amount of good paper and ink and the great volume of oratorical eloquence that have used on both sides of the Atlantic, when the news of the unjust settlement of the Shantung case according to the terms of the German Peace Treaty was released for the information of the world public.

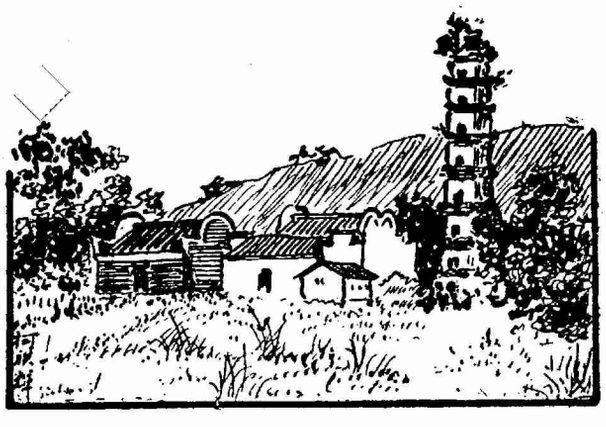
The Chinese people, who are taking an active interest in international politics, cannot get rid of their conviction that at the Washington Conference, as was at the Paris Conference, those nations alone, which can back their demands by a good show of military or naval strength, are assured of a free and unfettered voice in making known their wishes, and that in the case of militarily weak nations, the pleadings, however strongly reinforced by the principles of international justice, carry very limited weight. On the one hand the Chinese realise that the leading Powers are unanimous in adhering to the belief that the problems of world disarmament and those of the Pacific are interwoven, and that no solution of the Pacific problems will produce lasting effects, which does not take into consideration the cases in which China's sovereign rights have been infringed and steps taken to repair the injuries done.

On the other hand, they are bewildered by the persistent efforts of the leading Powers to deprive China of putting before the Conference her case against Japan in black and white and to assume the responsibility of rendering a verdict in the case after hearing both sides, in accordance with the principles of world equity so as to give some vitality to the letter and spirit of international law. It is this display of deplorable inconsistency in so conspicuous a manner that has placed the Chinese in a state of utter disappointment concerning the outcome of the Washington Conference in regard to which very sanguine hopes were entertained when they had in mind the ideals in the light of which President Warren Harding had called upon the leading nations to participate at this international assembly.

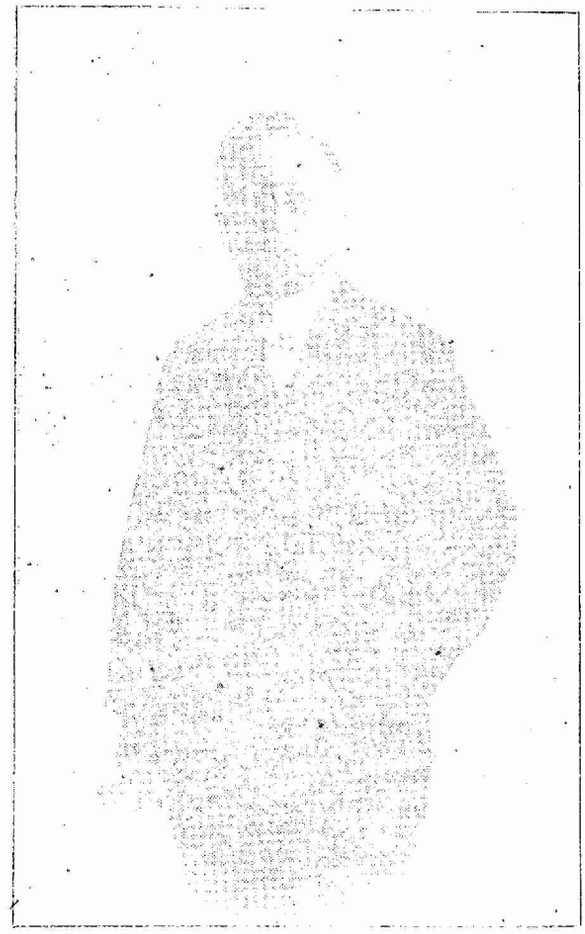
As matters stand, it is beyond the power of human eloquence to persuade the Chinese to believe that principles and not expediency had guided the deliberations at the Washington Conference, for

the American delegation will leave the Conference table with the satisfaction that America will be spared the costly international game of a naval race. The British delegation will carry back to the British Isles the handsome report that England's supremacy as a naval power will be maintained and that while the Anglo Japanese Alliance, which has outlived its usefulness, is to be assigned to the scrap heaps, Great Britain has become a partner of a Quadruple Entente in which position she will be able to have a decisive voice in all movements of international significance in which the United States or Japan shall take the initiative while sparing herself at the same time of the awkward position of having to fight on the side of Japan in case there should be hostilities between that country and the United States. France too has lost nothing at the Conference but has gained by being admitted as a member of the Quadruple Entente, which will strengthen her position on the Orient.

China has not entered the Conference room with any hope of gaining anything from it but has merely endeavored to recover her losses on the basis of being treated on a footing of equality. But she has been obstructed in her modest efforts to realise her legitimate aspirations. She has received certain promises which were nothing more than an unnecessary confirmation of rights which were promised to her in treaties signed long ago, and while very laudable principles were embodied in the declaration known as the Root Resolutions to which the Powers had all subscribed, she had little, if any, assurance that the resolutions would be actually applied to the solution of problems in which her sovereign rights are impaired, having before her the glaring instance of the deliberate refusal of the leading Powers to take up the Shantung Question and the Twenty-one Demands not because they were not aware of the grievous injustices to which China had been subjected by these issues but because they did not want to injure the *amour propre* of Japan in order better to secure the latter's support to put through the 5-5-3 naval ratio and to prevent her obstructive tactics in the settlement of the problems over which Japan, as past master in international bargaining, would in the absence of considerable compromise in connection with China's case, be sure to raise obstacles.



Who's Who in China



Chen Chieh, Superintendent of Hankow Customs and Commissioner for Foreign Affairs of Hupeh.

(陳 介)

Chen Chieh, a native of Sianghsiang, Hunan, was born in Chekiang in 1885. He received his elementary training in a private school, and after he had mastered the rudiments of a Chinese education, he entered, in 1899, the Middle School of Hangchow, Chekiang.

In 1902, when the government was replacing classical Chinese learning with modern education, he was selected and sent to a preparatory school in Japan, where he was graduated. He then entered the First High School of Tokyo, where he remained for three years. Because of his scholarship and accomplishments, he was promoted to the Tokyo Imperial University, where he pursued with credit a college course in law.

In the winter of 1907, he went to Germany and continued his study of law and political economy in Berlin University. He also traveled extensively in European countries during summer vacations, and therefore has an intimate knowledge of foreign customs and social and political life.

He came back to China in 1911, just at the time when Republican institutions were supplanting the Manchu rule. During that period of political reformation and reconstruction. Mr. Chen was immediately appointed by the government to be the director of the commercial department of the Ministry of Industry and Commerce, which was later changed into the Ministry of Agriculture and Commerce. Later he was promoted to be the

director of the industrial and commercial department of the same Ministry, in which he served for five years.

In 1916, Mr. Chen resigned from that Ministry to accept the post of counselor in the Peking Cabinet. Then the question of declaring war with Germany occasioned a crisis in Peking. Mr. Chen participated in all discussions of this questions as well as the taking over of German Concessions in Hankow and Tientsin. In drafting the anti-enemy regulations and other arrangements with respect to Germans, he rendered valuable services.

The following year again saw him in the Ministry of Agriculture and Commerce as secretary with the concurrent post of counselor of the Ministry of Finance. After a few months, he was appointed to be the Commissioner of Industry of Shantung Province, which he declined. He was again transferred to the Cabinet as a member of the Commission of War Affairs.

In 1918, he was elected a member of the Parliament representing Hunan province. Mr. Chen was noted for his anti-Anfu attitude which he manifested in Parliamentary debates. When General Wu Pei-fu was commander of the 3rd Division of Chihli troops in Hengchow, Hunan, both Houses of the Parliament brought forth a strong impeachment against General Wu, but were called off through the forensic support of Mr. Chen. As a member of the Parliament, he rendered valuable services in maintaining the financial status of the Bank of China, and promoting internal peace and unity between the North and the South.

In the autumn of 1920, he was appointed by the Minister of Finance Chow Tse-chi to be the head of the Department of Financial Affairs. The Minister of Foreign Affairs, Dr. W. W. Yen, simultaneously appointed him to Hankow to arrange the taking over of the Russian consular jurisdiction in the Russian Concession of Hankow. Soon after he was appointed to the present posts by a Presidential Mandate.

While in Peking, Mr. Chen taught in the law department of the Peking National University and the Peking Law School. He speaks English, German and Japanese with an additional knowledge of French and Latin.

He is adviser to General Wu Pei-fu, High Inspecting Commissioner of Hupeh and Hunan, and General Hsiao Yao-nan, Tuchun of Hupeh.

T. J.

Taxation Exemptions in the Philippines

At the time when the China Trade Act was being pushed by the American chambers of commerce in China, and by commercial organizations in the United States, a measure contemplating the exemption from taxation of corporations operating in the Philippine Islands was also introduced into the Congress of the United States. This measure, which has been embodied in the Revenue Law of 1921, has now reached realization and will become effective within a short time.

It was thought that at the time the measure was passed that American companies operating in China would be able to incorporate under Philippine Law and obtain the exemption sought in the China Trade Act. An examination of the provisions of the enactment, however, show sectional limitations in the continual occurrence of the phrase "within a possession of the United States." A transcript of the sections, which are self-explanatory, follow:

Revenue Law of 1921

Citizens of Possessions of the United States.

Sec. 260. That any individual who is a citizen of a possession of the United States (but not otherwise a citizen of the United States), and who is not a resident of the United States, shall be subject to taxation under this title only as to income derived from sources within the United States, and in such case the tax shall be computed and paid in the same manner and subject to the same conditions as in the case of other persons who are taxable only as to income derived from such sources.

Nothing in this section shall be construed to alter or amend the provisions of the Act entitled, "An Act making Appropriations for the Naval Service for the fiscal year ending June 30, 1922, and for other purposes," approved July 12, 1921, relating to the imposition of income taxes in the Virgin Islands of the United States.

Porto Rico and Philippine Islands.

Sec. 261. That in Porto Rico and the Philippine Islands the income tax shall be levied, collected and paid as provided by law prior to the passage of this Act.

The Porto Rican or Philippine Island legislature shall have power by due enactment to amend, alter, modify or repeal the income tax laws in force in Porto Rico or the Philippine Islands, respectively.

Income from Sources within the Possessions of the U. S.

Sec. 262. (a) That in case of citizens of the United States or domestic corporations satisfying the following conditions, gross income means only gross income from sources within the United States,—

(1) If 80 per centum or more of the gross income of such citizen or domestic corporation (computed without the benefit of this section), for the three-year period immediately preceding the close of taxable year (or for such part of such

period immediately preceding the close of such taxable year as may be applicable) was derived from sources within a possession of the United States; and

(2) If, in the case of such corporation, 50 per centum or more of its gross income (computed without the benefit of this section), for such period or such part thereof was derived from the active conduct of a trade or business within a possession of the United States; or

(3) If, in the case of such citizen, 50 per centum or more of his gross income (computed without the benefit of this section) for such period or such part thereof was derived from the active conduct of a trade or business within a possession of the United States either on his own account or as an agent or employe of another.

(b) Notwithstanding the provisions of subdivision (a) there shall be included in gross income all amounts received by such citizen or corporation within the United States, whether derived from sources within or without the United States.

(c) As used in this section the term "possession of the United States" does not include the Virgin Islands of the United States.

Effective Date of Title.

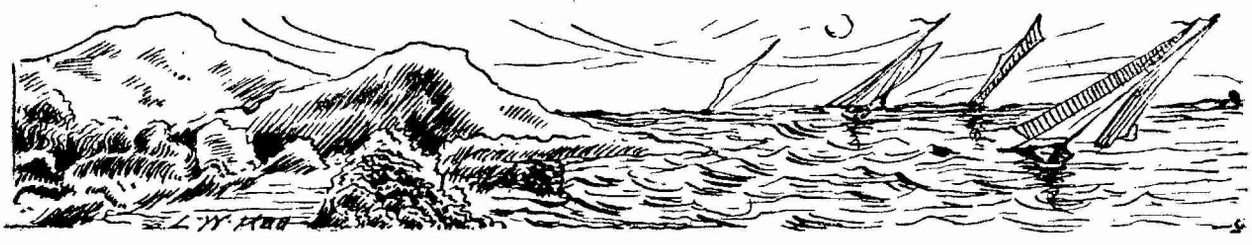
Sec. 263. That this title shall take effect as of January 1, 1921.

"The Ministering of the Gift"

"The Association in other lands"—Foochow Pageant, 1921.

The Young Women's Christian Association in Foochow is having its finance campaign to raise $3,000 for the coming year's expenses. Since its organization the Foochow Association has had a wide influence educationally and socially among the women of the city. Youthful as it is, the association has already had a baby welfare campaign, and is the first of the Y. W. C. A. in China to employ a well trained nurse to do follow-up work after the campaign was ended. Because of the progressive interests of the membership, plans for the coming year indicate the ever widening scope of the association work.

One of the conspicuous features of the finance campaign program was an impressive pageant in which a large number of girls and women took part. It was based on the association pageant, entitled "The Ministering of the Gift," which has been given many times in the United States and was recently given on a large scale in the Tokio Y. W. C. A. Miss Edith Wells of the Tientsin Y. W. C. A. was in Foochow to assist Miss Gertrude Steel-Brooke with the various campaign activities in which the Chinese members of the staff and committee are taking a very active part. No final reports of the progress of the campaign have been received at the National Headquarters in Shanghai, but Miss Wells, who returned to Shanghai on her way to Tientsin, reported that the women's teams are hard at work and expect to have their budget amount by the first of the year.



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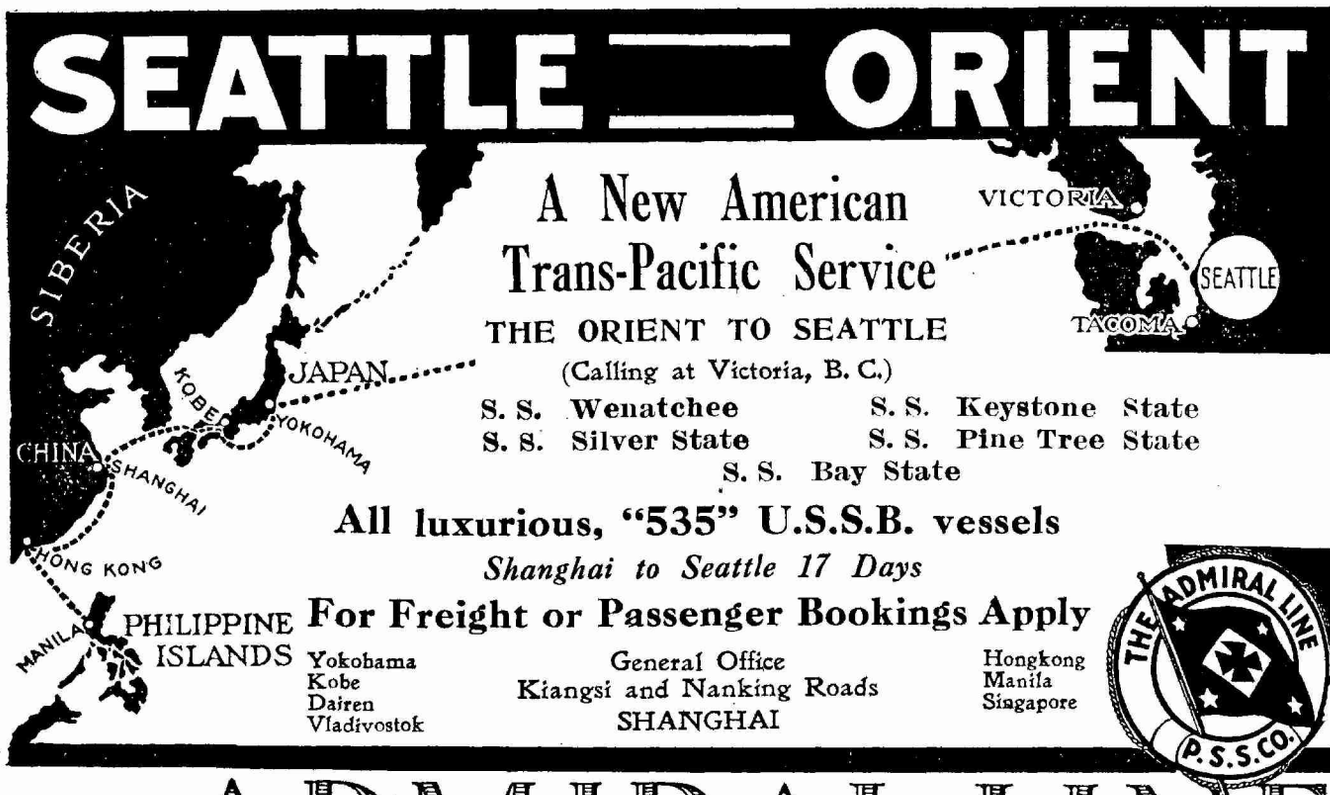

Medical Association to Hold Conference

The National Medical Association of China will hold its fourth bienniel conference in Shanghai from January 31 to February 4, 1922. Every preparation is being made for that event. The committees have been busy in arranging a complete business and entertainment program in order to ensure success. It is expected to have delegates from all parts of China. The sessions will be held in the Y. M. C. A. buildings on Szechuen Road, where special rooms will be set apart for medical exhibits, chemical manufactures and other commercial displays. A most cordial invitation to attend is extended to all medical men and also those who are interested in medical education. Further particulars concerning the conference can always be obtained at the head office, No. P352 Nanking Road, or by applying to the business manager, International Dispensary, Foochow Road.

China Exports to U. S. Again Decrease

A further decrease in the exports from China to the United States. 43 percent, is shown in a report for the month of November, issued by the office of the American Commercial Attache, Shanghai, based on a cablegram from the Bureau of Foreign and Domestic Commerce, Washington.

The exports from China to America during November totalled G$ 5,100,000 as compared with G$9.000,000 in October. Imports from the United States totalled G$7,500,000 as compared with G$8,800,000 in October, a decreased of .147 percent. Production is slackening in the United States according to the report, with commercial failures increasing, prices declining, money easier, exports declining and imports increasing.

The complete statistics for the China-American trade for the last three months follow:

1921	Exports from U.S.A. to China	Imports from China to U S.A.
September.....	G. $ 8,800,000	G. $ 9,500,000
October	8,800,000	9,000,000
November.....	7,500,000	5,100,000
Total	G. $25,100,000	G. $23,600,000

Men and Events

Dr. L. Cox, director of the Bureau of Science, Manila, P. I. arrived in Shanghai recently on a visit, previous to departing for the United States. Dr. Cox is staying at the Astor House.

Byron P. Stansfield, of the China Import and Export Lumber Company, departed on a brief business trip for Manila, Hongkong, and Java, on Sunday, December 25, on the *s. s. Empress of Asia.*

D. Leonard, accompanied by Mrs. Leonard arrived in Shanghai on the *s. s. Empress of Asia*, on Sunday, December 25. Mr. Leonard is a member of the U. S. Silk Testing Company and will join the firm here.

The Wuhu St. James Academy Alumni Association will hold their annual meeting on January 1, 1922, at the Chinese Y. M. C. A., at 2 o'clock. C. H. Burke Yui, president of the

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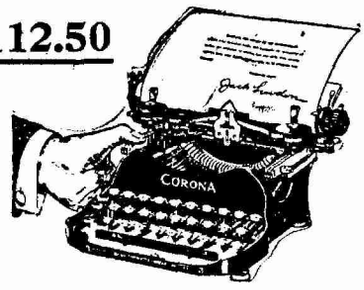

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institution, will preside and it is requested that all members make a special effort to be present.

The death occurred on Friday, December 23, at the Isolation Hospital, Shanghai, of W. E. Sperry, accountant of the American Drug Company, Shanghai. Funeral Services were conducted by the Shanghai Chapter of The Rose Croix No. 3, at the Bubbling Well Cemetery

Frank N. Glass, Senior, and Frank N. Glass, Jr., of the *New York World* who are touring the Orient, following the conference of the Press Congress of the World at Honolulu, were guests of honor at several functions given by the Chinese newspapermen while in Shanghai.

A large number of American Nobles of the Mystic Shrine are planning to reach Shanghai on the Admiral Line steamer, *Keystone State*, about January 30, in time for a ceremonial. Each year American Shriners make a trip to the Orient to confer degrees on local Masons at Shanghai, Yokohama, and Manila.

The Nantao Christian Institute has issued its annual report for the year 1921 in both English and Chinese. The report gives full details regarding the school, its activities during the year, the treasurer's report and the budget for 1922. It is hoped that during the campaign for funds there will be ready response and continued cooperation with the institution.

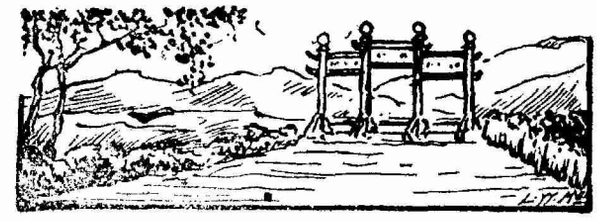
According to word received here, J. R. Morse, president of the American Trading Company, New York, died recently at his home there. Mr. Morse was seventy-one years old. Some forty years ago he established a clock and hardware company in Yokohama and later it developed until the business became known as the American Trading Company, with branches all over the world, with head offices in New York.

The engagements were announced at a dinner at the American Legation, Peking, on Christmas Day, of the two daughters of Dr. Jacob Gould Schurman, American Minister to China, Major John McGruder, of the American Military Attache's office, Peking, being engaged to Miss Helen Schurman, and Frank Campbell, a broker with business interests in America, to Miss Barbara Schurman. The date of the weddings have not yet been announced.

A. S. Fobes, head of the firm of A. S. Fobes and Company, died at his home on Jessfield Road on Saturday, December 24. Mr. Fobes was eighty-three years old and was one of the oldest American residents in China, having come to the Orient when twenty-four years old. He was born in Portland, Maine. He was a 32nd degree Mason and was recently honored by his brothers here by being made an honorary life member, a distinction seldom conferred.

Judge Daniel R. Williams arrived in Shanghai last week from Manila, to establish a law firm here. Judge Williams has lately returned from Washington where he has been working in the interests of the Philippines. He has been a long time resident in Manila, having come out first with W. H. Taft as secretary of the Philippine Commission. Associated with him is Albino Cy Sip, a lawyer of Manila, formerly associated with Judge Williams there, and Paul Faison. Mr. Faison, previous to being admitted to the bar in Manila, was in the consular service in Shanghai.

Among the arrivals on the *s. s. Empress of Asia*, Sunday December 25, were the following: W. N. Ferguson, who has lived for many years in China and has won considerable fame as an explorer in Eastern Thibet and is now connected with the Salt Bureau, Peking; General T. G. Chen and Commander C. C. Yu of the Chinese Army, who have been attached to the Chinese delegation at Washington, A. W. Burkhill, and Mrs., Burkhill. Mrs. William Morris, wife of Mr. Morris of the British American Tobacco Company, and Mr. and Mrs. Eric Clark, returning from an eight months vacation in America, enroute to Peking.



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19-214

News from North China

A dance was given on the night of December 21 at the Tientsin A. B. C. Club by Mrs. F. C. Rose and Mrs. Butler. Some sixty guests were present.

The Y. W. C. A. of Tientsin held their Christmas meeting in the auditorium of the Y. M. C. A. building on December 22, and more than 400 women and girls were in attendance.

Owing to the financial stringency and the negligence of the educational authorities, all the public primary schools in Peking are without a leg to stand on and have struck unanimously from December 17.

Dr. W. W. Yen, the Minister of Foreign Affairs in the Chin Cabinet which handed in its resignation *en bloc* on December 17, has been appointed Acting Premier by Presidential Mandate issued on December 18.

A short-term loan to the amount of $330,000 have been lately concluded by the auronautical department with a British company with interest at 8 percent. It is hoped that the strike of the department can be thus ended.

A telegram has been received by the officials of the Creditor's Association of the Banque Industrielle de Chine from Minister Chen Lu at Paris to the effect that the French court has completed its debate with regard to the bank.

General Tsao Kun arrived in Peking on the evening of December 19, from Paotingfu, and the Peking officials are feeling that a break between the Chihli party and the Mukden party and the Chiaotung Clique on the other side has been averted for the present.

General Chin Yun-peng's resignation from the premiership was accepted by the President on the evening of December 18, and Dr. Yen, the Acting Premier, received the secretaries and officials of the Cabinet at the Cabinet Office on the morning of the following day.

It is expected that Yeh Kung-cho, former Minister of Communications, will not enter the new Cabinet owing to the strong opposition shown by the leading party. He will probably be appointed as the chief secretary of either the President or the forthcoming Premier.

Marshal Chang Tso-lin, who is visiting in the Capital, called upon Mr. Obata, Japanese Minister, on December 20, and had a long discussion with him. The Japanese paper says also that the Mukden General called upon the American, British, French, and German legations.

A hearty send off was given to the A Company of Wiltshire on December 19 on the occastion of their departure. All the Legation Guards sent parties to the station. A large and distinguished gathering representing many nationalities was present. As the train moved away the American Marine band played.

With reference to the abolition of extra-territoriality, Lo Wan-kan, barrister-at-law, has lately wired to the Ministry of Justice urging the promulgation of the revised penal code and the enforcement of the special statue for civil suits in the Chinese Eastern Railway zone in the three Eastern Provinces.

The Foreign Office has recently issued a statement to the effect that according to the Chinese delegation in Washington, the Twenty-one Demands have been submitted to the Far Eastern Committee and the Japanese delegates have asked for sufficient time to look over the arguments presented by the Chinese.

Mr. Alfred Sze, Dr. Wellington Koo and Dr. Wang Chung-hui have jointly wired to the Central government to the effect that the world Powers are unanimously apprehensive of the superfluity of the Chinese troops and have hinted at the necessity of international invention if China does not disband them automatically.

Hsiung Hsi-ling, president of the Russian Famine Relief Chinese Society, has sent out letters to all Chinese organizations throughout the country pointing out the great need of help in Russia and calling upon the various organizations and the people which they represent to subscribe liberally to this good cause.

More than one hundred American returned students in Tientsin sat down to supper on the evening of December 19, at the residence of Y. T. Lou. The Tientsin American Returned Students Club discontinued their monthly meeting for about a year principally because of the famine. Now it has been decided to revive its activities.

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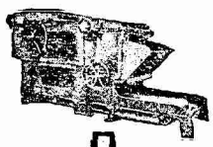
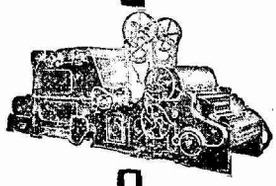
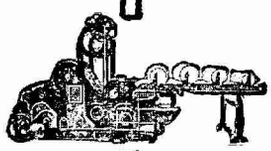
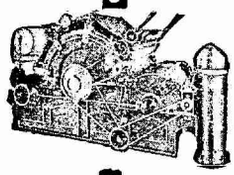
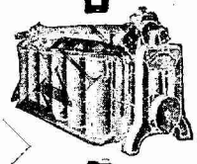

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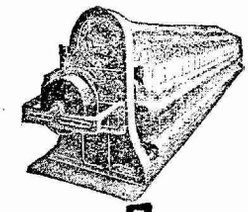
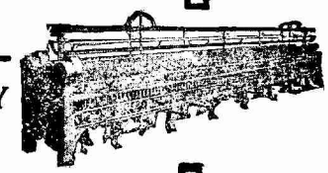

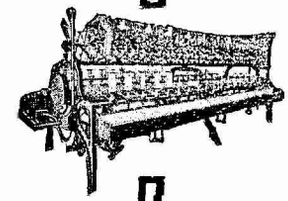

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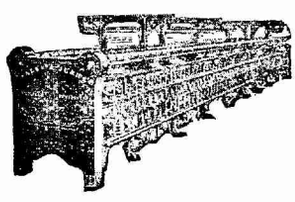
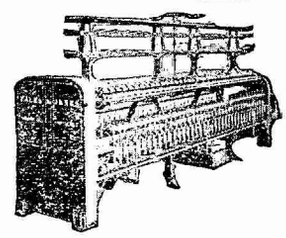
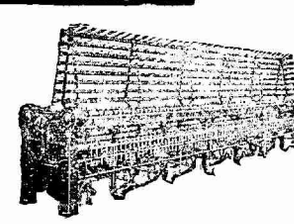

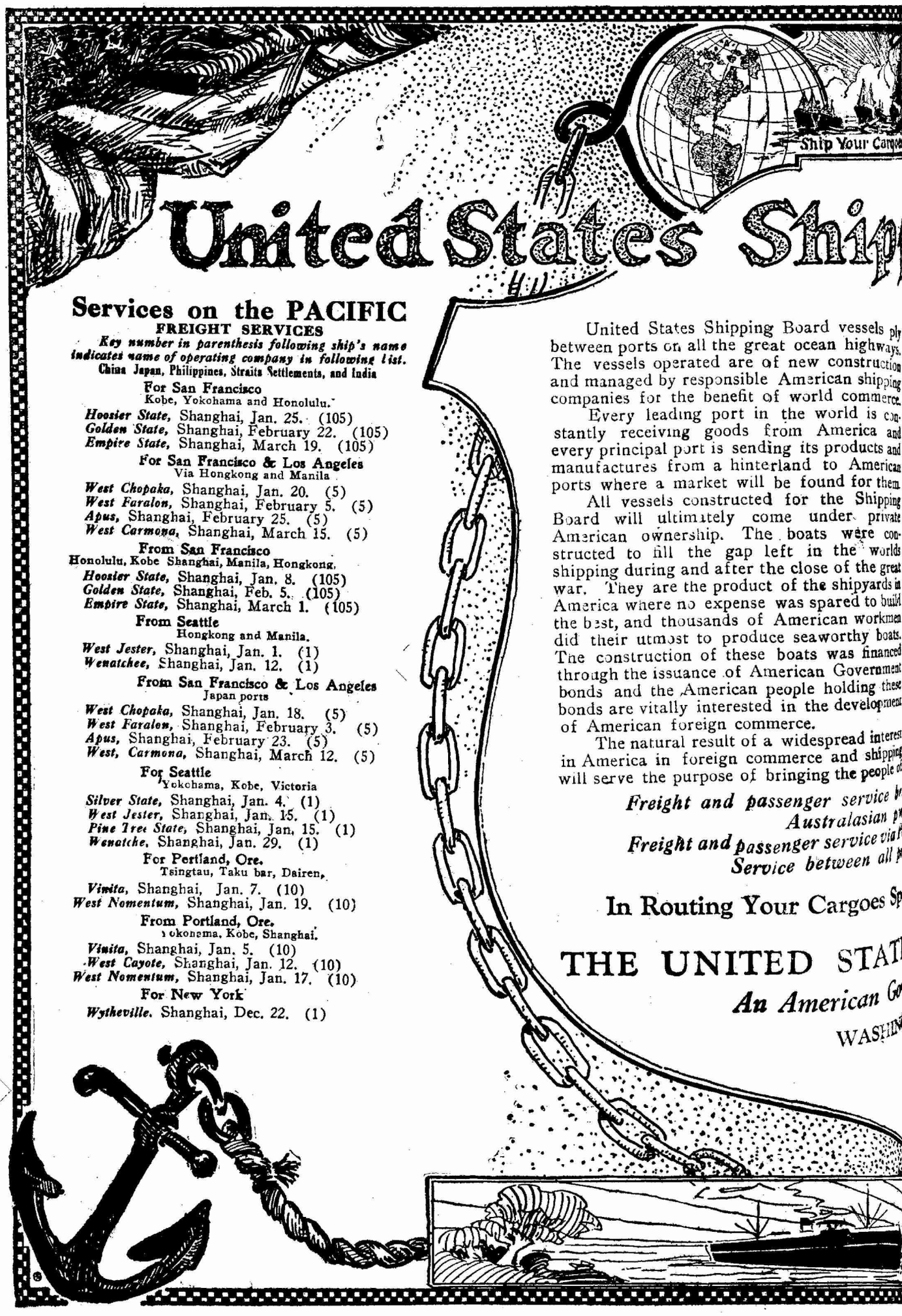
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For San Francisco & Los Angeles
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West Chopaka, Shanghai, Jan. 20. (5)
West Faralon, Shanghai, February 5. (5)
Apus, Shanghai, February 25. (5)
West Carmona, Shanghai, March 15. (5)
From San Francisco
Honolulu, Kobe Shanghai, Manila, Hongkong,
Hoosier State, Shanghai, Jan. 8. (105)
Golden State, Shanghai, Feb. 5. (105)
Empire State, Shanghai, March 1. (105)
From Seattle
Hongkong and Manila.
West Jester, Shanghai, Jan. 1. (1)
Wenatchee, Shanghai, Jan. 12. (1)
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West Faralon, Shanghai, February 3. (5)
Apus, Shanghai, February 23. (5)
West, Carmona, Shanghai, March 12. (5)
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Empire State, Shanghai, March 1. (105)

For San Francisco
Via Japan Ports and Honolulu.

Hoosier State, Shanghai, Jan. 25. (105)
Golden States, Shanghai, February 22. (105)
Empire State, Shanghai, March 19. (105)

For Seattle
Japan Ports and Victoria B. C.

Silver State, Shanghai, Jan. 4. (1)
Pine Tree State, Shanghai, Jan. 15. (1)
Wenatchee, Shanghai, Jan. 29. (1)

From Seattle
Manila via Hongkong.

Pine Tree State, Shanghai, Dec. 29. (1)
Wenatche, Shanghai, Jan. 12. (1)

From San Francisco.
Honolulu, Manila, Saigon, Colombo, Calcutta, Singapore.

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(1) **The Admiral Line**
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Yokohama, Kobe, Hongkong, Manila.
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(10) **China Pacific Company,**
6 Kiukiang Road, (4th floor), Shanghai, C 463-4
Yokohama, Kobe, T'tsin, Dairen, T'tao, Portland.

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(105) **Pacific Mail Steamship Company,**
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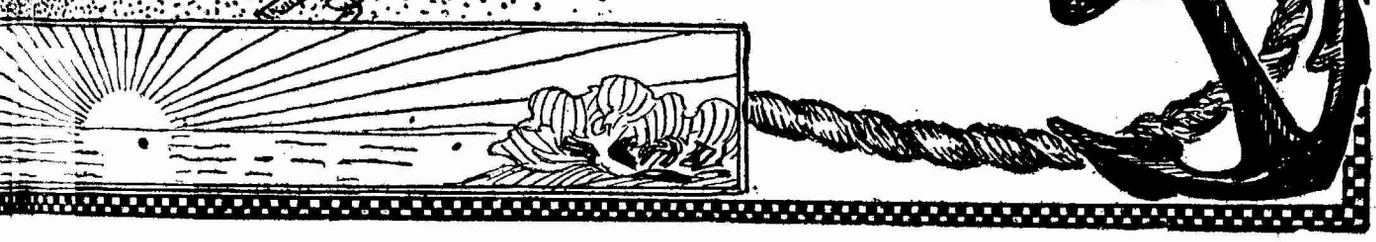
Tientsin, Singapore, Colombo, Calcutta,
San Francisco, Baltimore, New York, etc.



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The Ministry of Education has lately sent in its final petition to the President stating that if there is still no money to meet the Ministry's dire need, the President is earnestly requested to close the Ministry so that its members who have not received their salaries for months and who have been hanging on empty hopes could find a living elsewhere.

Alexander K. Paikess, the extraordinary plenipotentiary of Soviet Russia to China, presented his credentials to the Minister of Foreign Affairs on December 16. On the same day, W. F. Klassin, the special envoy of the Far Eastern Republic, and a member of his delegation, M. S. Gorodetzk called on Dr. W. W. Yen and presented their credentials.

The Mukden War Lord is going to invest ten million dollars for the redemption of the Bank of Communications' notes and is also contemplating the annexation of the Bank of China. It is understood that the proposal was suggested by a certain high official with the object of building a united government bank with that official as the director-general.

A farewell dinner was given to Norman H. Pitman President Li, Dean Wang, and many teachers, of the Peking Teachers College where Mr. Pitman is ranking professor in the English department. Prof. Pitman, after nine years of service in the college, has tendered his resignation and accepted the position just vacated by Prof. David Lattimore in the Peiyang University.

Counter proposals have been suggested by the Foreign Office respecting the Russian notes submitted by Mr. Agareff, head of the Chita Commission, to the effect that Chita should guarantee that it will not disturb Mongolian territory, that the territory leased to Russia in the 10th Year of Emperor Hsienfeng should be turned over to China and that the Chinese residents in Russia have to be indemnified accordingly.

By a joint telegram the Chinese Chambers of Commerce of Kalagan, Suiyuan and Urga have informed the Central government that all the Chita troops have been withdrawn from Urga, leaving only the Moscow troops there, and the Chambers mentioned are urging the Peking authorities to expedite an arrangement with the Soviet government's representatives whereby the Moscow troops would return to Russia.

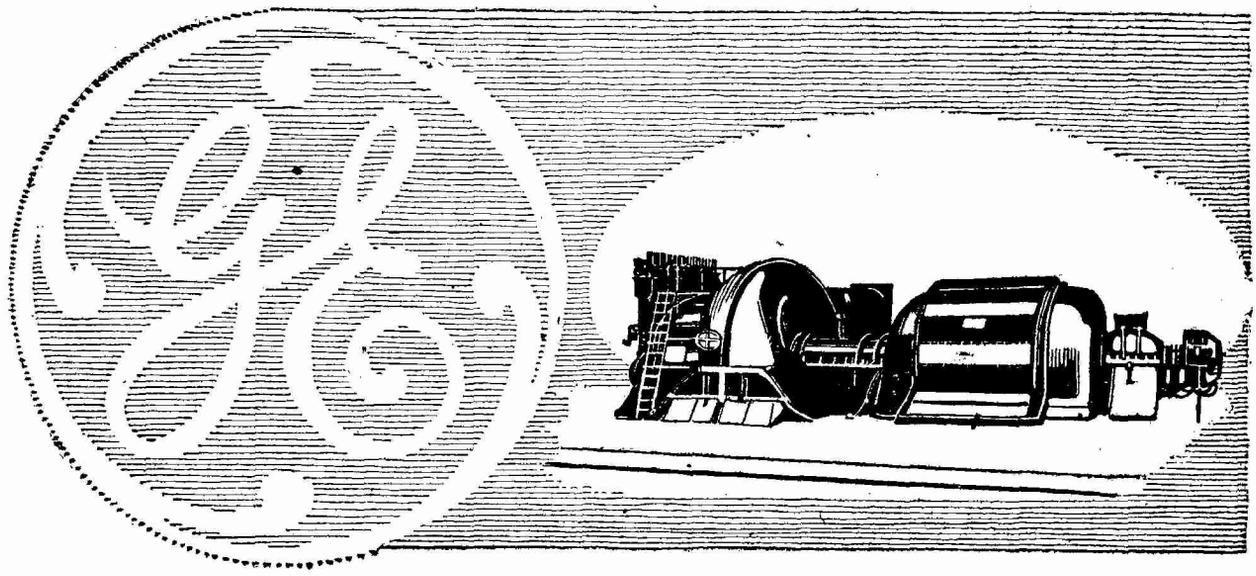
A strong petition from the Peking Students' Union has been sent in to the Minister of Foreign Affairs urging the recall of Chen Lu, former Minister of Foreign Affairs and now Chinese Minister to France. The union is much annoyed at Chen Lu's action in sending over a 100 Chinese students home from France; and its petition enumerates four offenses alleged to have been committed by Chen Lu and warranting his recall.

Mr. Agareff, head of the Chita Commission, has lately interviewed Dr. W. W. Yen, Minister of Foreign Affairs, and presented a memorial in person. The memorial deals with the following four points: 1. Navigation rights of Sungari and Amur Rivers. 2. The retrocession of Urga. 3. Procedures of the Russo-Chinese Commercial Treaty. 4. Substantial schemes for the protection of the Chinese residents in Russia.

In an interview with the Chinese pressmen, Dr. W. W. Yen, the Acting Premier and Foreign Minister, says that he will retire into private life after the termination of the Washington Conference and that his intention aims at world travel. Regarding his possible successor in the Foreign Office, Dr. Yen favors the selection of either Alfred Sze or Dr. Wellington Koo. In conclusion he adds that he has no further ambition for official life.

There is no question now that Liang Shih-yi will be the forthcoming Premier and that the Cabinet he is to form will be a coalition one. Many slates have appeared in the different papers of the various parties. It is likely that the new Cabinet will have on its members one or two of the three Chinese delegates to Washington; two persons from Chihli faction; three from Fengtien faction; at least one from the Progressive party; two from the Old Chiao-tung; possibly one from the New Chiaotung; and others.

The opening meeting of the Tientsin Hykes Memorial Lodge A. F. and A. M. was held on the evening of December 21 in the Masonic Temple. The designated officers were placed in their station by Paul John, P. M., Ancient Landmark Lodge of Shanghai. The officers of this new American lodge are: R. D. Goodrich, W. M., J. W. Colbert, S. W., M. J. Waltz, Jr., J. W., T. L. Miller, treasurer; Graham Kearney, secretary; A. O. Long, Chaplain; T. J.



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An unprecedented mass meeting was held in Tientsin on the afternoon of Sunday last. In spite of the cold northeast wind a crowd of demonstrators, estimated to number a hundred thousand, assembled at Nan Kai field to express their feelings on the Shantung question. Four resolutions were passed: (1) to protest against negotiations outside of the Conference proper, (2) to have the Twenty-One Demands cancelled. (3) to demand the unconditional return of Shantung, (4) to demand that the territorial integrity of Manchuria and Mongolia be respected.

The following slate of cabinet members given out very lately by the *Tientsin Social Welfare* is said to be very dependable, from reliable source and to have been agreed upon by the dictating war lords now in Peking: Premier-Liang Shih-yi; Minister of Foreign Affairs—Dr. W. W. Yen; Minister of Finance—Chang Hu; Minister of War—General Tsai Chen-hsun; Minister of Navy—Admiral Li Ting-hsin; Minister of Justice—Tung Kang; Minister of Education—Huang Yen-pei; Minister of Agriculture and Commerce—Wang Nai-ping; and Minister of Communications—Hsu Hsu-jang.

A survey of the financial situation in its relation to the unpaid salaries of government officials has been prepared by the *Chen Pao* as follows: The general staff, for twenty-two months; Ministry of Navy, six months; Ministry of Foreign Affairs, up to date; the Aeronautical Department, three months; the National Conservancy Bureau, three months; the Wine and Tobacco Administration, up to date; Metropolitan Police, two months for officers and one month for men; Ministry of Education, officials seven months and teachers two and one-half months; Ministry of Finance, three months; Ministry of War, five months; for ordinary officials and twelve for councillors; Ministry of the Interior, three months; Ministry of Agriculture and Commerce, three months; Bureau of Economical Investigation, five months; Presidential Office, four months; Cabinet Office, three months; Ministry of Communications, one month; Salt Administration, up to date; Administrative Court, six months; Bureau of Mongolian and Tibetan Affairs seven months; Customs Administration, up to date; Audit Department, three months; Supreme Court, three months; Ministry of Justice, three months; and the Peking-Hankow Railway Administration, one month.

It is reported that the Mukden War Lord has drawn up a plan to change the personnels of the high posts of the nineteen provinces which are still under the control of the Peking government and at the same time to institute more super posts to accommodate the more ambitious. According to the plan, a Higher Inspecting Commissioner for Chihli, Shantung, Honan, Shansi and Shensi, will be instituted with Marshal Tsao Kun and General Tsao Chen-hsun as principal and Assistant Commissioners respectively; to appoint Generals Chang Tso-hsiang, Chao Yu-ho and Tu Shih-kuei, as assistant commissioners of the High Inspecting Commissioners of the Three Eastern Provinces, of Chihli, Shantung and Honan, and of Hunan and Hupeh, respectively; to appoint General Lu Yun-hsiang and Tsang Chu-ping as principal and assistant commissioners of the High Inspecting Commissioner of Fukien and Chekiang; to appoint General Chang Hsun (the notorious monarchical leader) as the High Inspecting Commissioner of the Yang-tze Valley with General Wang Chin-ping or Ma Lien-chia as assistant; to appoint General Ma Fu-hsiang and Hsu Lan-chow as Tuchuns of Kansu and Sinkiang respectively; to promote General Chang Fu-lai to the post of Tuchun; of Hunan; to appoint General Shao Yao-nan, Ma Ling-yi, Wang Yun-kiang, Chi Yao-ling, Yuan Chin-kai and Li Kuo-chun as Civil Governors of Hupei, Kansu, Fengtien, Kirin, Heilungkiang, and Shantung respectively; (h) to appoint Feng Ling-teh or Tso Feng as Tutung of Suiyuan Special Area.

Peking, December 23, 1921.

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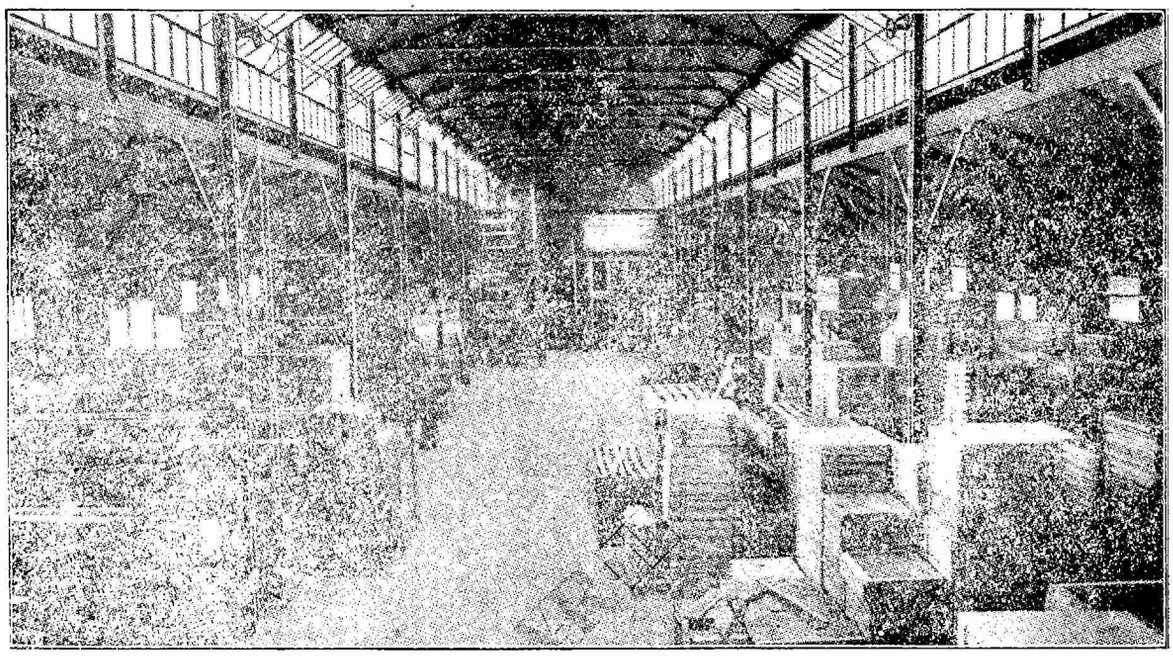

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News from Central China

A private representative of former General Lu Yung-ting, former Military Governor of Kwangsi, who was defeated last summer by Canton troops, passed through Hankow last week enroute to Peking. He arrived in Wuchang from Shanghai for an interview with General Hsiao Yao-nan, Tuchun of Hupeh, after which he proceeded to Peking on an important mission.

A bureau of information has been opened in the premises of the Kinhan building in Hankow by the Peking-Hankow Railway in order to give every facility to the traveling public and merchants. All information for booking passengers, registering parcels, application of both passenger and freight tariffs and about traveling, can be obtained from this bureau upon application.

The director-general of the Hupeh Government Specie Bank reports that over 100,000,000 cash-notes issued by that government bank are now in circulation in this center. As these notes were issued during military crises without adequate reserve, it is suggested that 40,000,000 of these notes should be redeemed by the government with the proceeds of the Peking-Hankow Railway, so as to maintain the exchange of this currency for silver at a higher level.

Chen Shu-fan, the routed Tuchun of Shensi, is reported to be advancing toward the northern frontier of Hupeh province in an attempt to attack several districts of that border. He is again said to be acting in league with the Szechuen troops, who are preparing an aggressive campaign against Hupeh. The Szechuenese are making vast preparations for a hostile movement into Hupeh province, which they intend to launch upon the conclusion of the Pacific Conference at Washington.

The special committee appointed to investigate the rickshaw strike situation consists of the following persons:—Y T. Chow, president of the Associated Street Unions of Hankow, T. K. Hu, of the Y. M. C. A., Rev. C. Y. Fang, of the American Church Mission, J. C. Huston, American Vice-Consul at Hankow, Rev. E. L. Souder and W. P. Mills, of the Hankow Y. M. C. A. It is alleged here that during the recent seven-day rickshaw coolies strike in the foreign concessions, some Bolshevik influence was at work.

F. Palmer, an eminent British engineer, who came to China to serve on the Shanghai Harbor Improvement Board as adviser, and Yang Pao-ling, a prominent Chinese river engineer, passed through Hankow last Saturday from Peking to Shanghai. They left Hankow for Shanghai by a Customs revenue crusier, and along their journey down river they will make a study of the Yangtze River. They were appointed by the Peking government to make a careful investigation of the river with a view to recommending improvements.

General Wu Pei-fu has instructed Tuchun Hsiao Yao-nan of Wuchang to raise $3,600,000 from Hupeh province to help him tide over the coming New Year crisis, It is reported that General Wu is trying to snatch from the Ministry of Communication the control of the southern section of the Peking-Hankow line from Changhsintien to Hankow. He plans to take over this section and place same under the control of Hupeh province, so that he may be free to use the incomes of it as security for a $5,000,000 foreign loan now being negotiated.

Working men of Chinese rice mills in Hankow are organizing a labor union as an initial step to presenting their demand for increase of wages. They offer two reasons for having higher wages. First, they should not be content with their meagre wages, which are hardly sufficient for them to make a living, while the mill owners enjoy large annual profits without allowing any dividends to the workers. Secondly, rice dealers profiteered during the late rice crisis, and are maintaining their high prices even though rice supplies have been superfluous recently.

Representatives of tea merchants from six provinces belonging to the Hankow Tea Guild have petitioned the provincial authorities, protesting against the provincial likin system of collecting tea taxes. It is complained that fifteen likin stations are existing within a distance of about 100 li, all of which claim that they derive their authority from the government of Hupeh or Hunan. The cargoes are subject to annoying exmainations, and the only way out of the trouble and to get easy passage is to satisfy the squeezing demands of the likin collectors through bribery.

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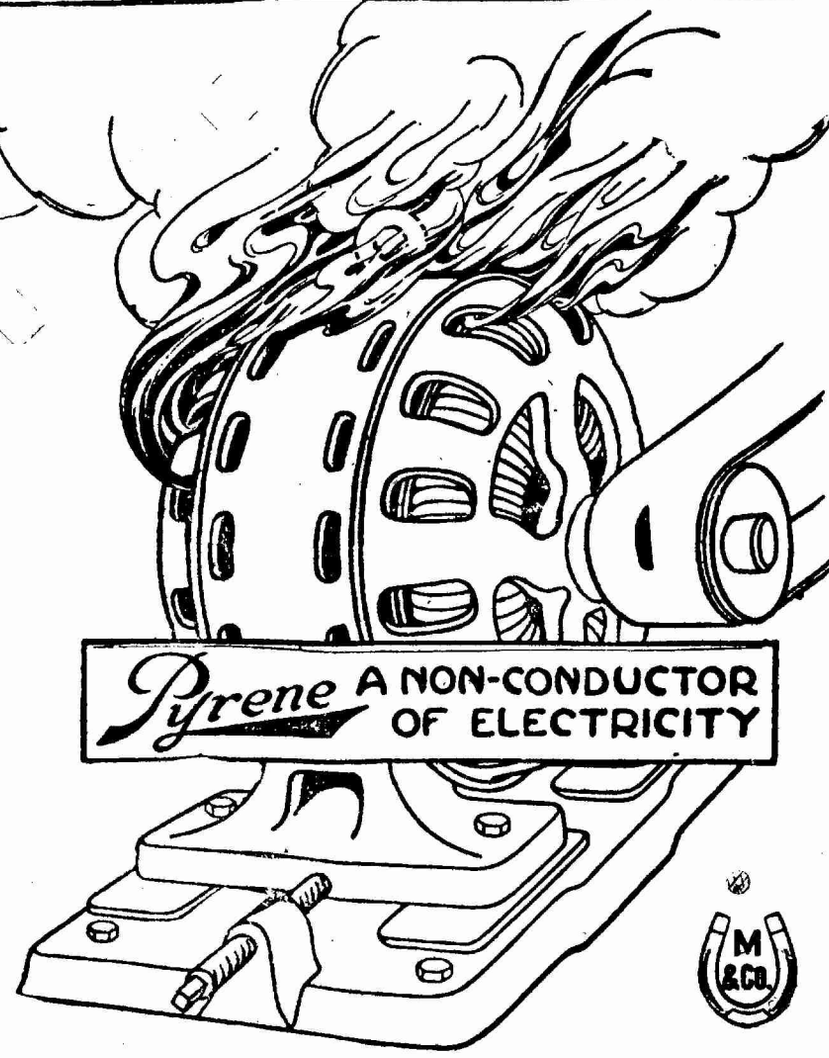

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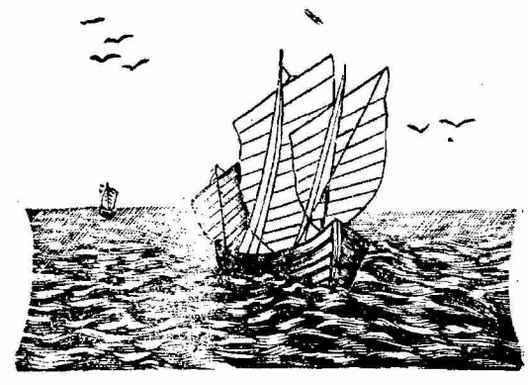
Thirty-two street unions of Hankow paraded in the Chinese city on Thursday as a demonstration against direct negotiation on the Shantung question between China and Japan and as an agitation for the abrogation of the Twenty-one Demands made on China by Japan in 1915. About 2,000 were out in the streets carrying flags and headed by music bands. The Wuhan Students Federation unanimously decided at meeting on Friday to hold a students' parade on Saturday afternoon, taking advantage of the half day holiday. Students from a girls' school also participated in the street demonstration.

The Hankow Association of All Unions sent the following cablegram to Washington on December 15: "Messrs Alfred Sze, Wellington Koo and Wang Chung-hui. Chinese public sentiment vehemently indignant over and desperately opposes direct negotiation on Shantung outside Conference. Popular clamor unanimously demands abrogation of twenty-one demands, and autonomous control of Kiaochow-Tisnan railway. Please make widely public that Chinese will never submit themselves to any death sentence given in verdict by Washington's international tribunal of iniquity whatever *force majeure* may be brought to bear.

A conference was held on board the Chinese gunboat *Tso-Yu* in Hankow on December 15, by naval commanders of the Yangtze Fleet of the Chinese Navy. It was decided that patrol service should be concentrated on such points as Ichang and Shasi in view of the unsettled situation on the Yangtze. Admiral Doo Shih-kwei recently left Hankow for Shanghai for a visit. According to the Chinese newspapers in Hankow, General Wu Pei-fu, in recognition of the services rendered by Admiral Doo during the Hunan and Szechuen fightings, has recommended him to the post of Associate High Inspecting Commissioner of Hupeh and Hunan, which is now under consideration by the Peking government.

The Ministry of Communications at Peking has sent to Hankow Mr. Sah, son of Admiral Sah Chen-ping, Minister of Navy, to institute an official investigation of the alleged charge brought against the head of the Peking-Hankow Railway Land Development office at Hankow by General Wu Pei-fu, who intends to replace the present chief with one of his favorites so that he gets absolute control of the income of that line. Mr. Sah arrived in Hankow just at a time when Generel Wu's nominee at Hankow and his collegues were threatening to force C. T. Hsia, chief of the land office, to quit his job disregarding the instruction of the Ministry of Commuuications ordering him to remain until after a thorough investigation. But under unavoidable circumstances Mr. Hsia handed over charge to General Wu's nominee without receiving instruction from the Ministry. The new Kinhan building in the French Concession has been turned over to the new chief.

Hankow, December 18, 1921.



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Steam boilers and engines
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Hoists, concrete mixers.

Engineers and Contractors
Importers and Exporters

19-225

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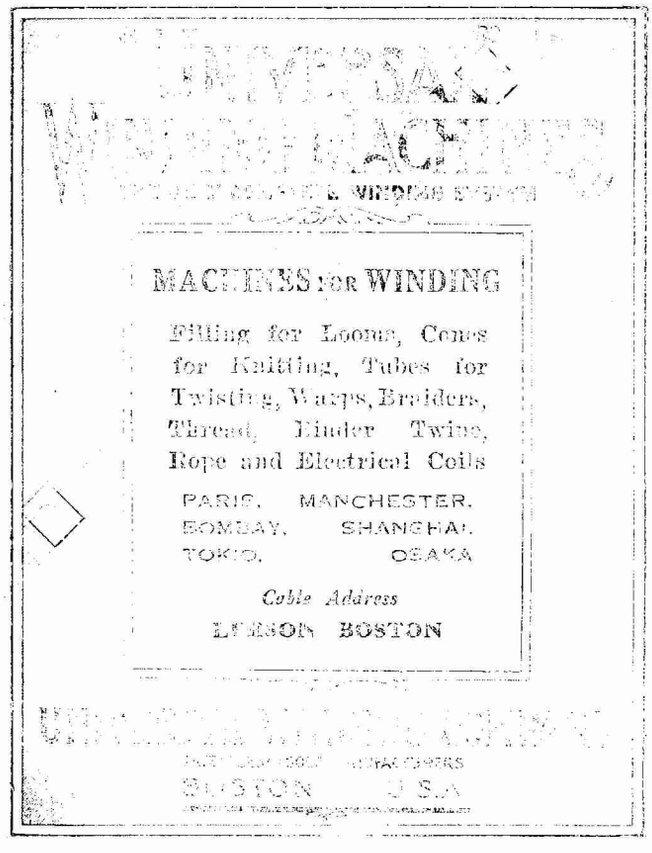
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Week's News Summary

CHINA

December 22. Official contradiction of the report of Mrs. Sun Yat-sen' capture by bandits in Kwangsi.——Fukien report says outrages have been committed against Christian churches at Yungchun by Chinese soldiers.——Peking dispatch says much battling is going on for the personnel of the new Cabinet and Chang Tso-lin's slate is full of names.

December 23. Peking report says Liang Shih-yi holds up specter of international financial control and endeavors to compel assembled warlords to agree to his slate of financial and communications experts, who naturally belong to Chiaotung faction.

December 24. Peculiar relationship existing between the Central government and Canton is illustrated by request of Chihle government to open Consulate at Canton and the government's decision to forward the request to the Foreign Commission at the great Southern port, according to Peking dispatch.——Work on the Peking-Tientsin highway has been stopped, when within but a few miles of being finished according to order from Police Commissioner of Tientsin, without giving any reasons.

December 25. According to reports approximately six million people will be facing starvation in Chekiang and Anhwei provinces during the next few months, due to unprecedented floods.——According to Peking report the teachers of the eight government schools and chief of the Educational Bureau have sent a joint petition to the Presidential Office and Cabinet requesting instructions as to how to deal with the financial crisis facing the schools.

December 28. Peking report says new Cabinet is formed and holds first meeting with new Minister of Finance promising to raise $5,000,000 to be allotted to funds of the Ministry of War.——

GENERAL

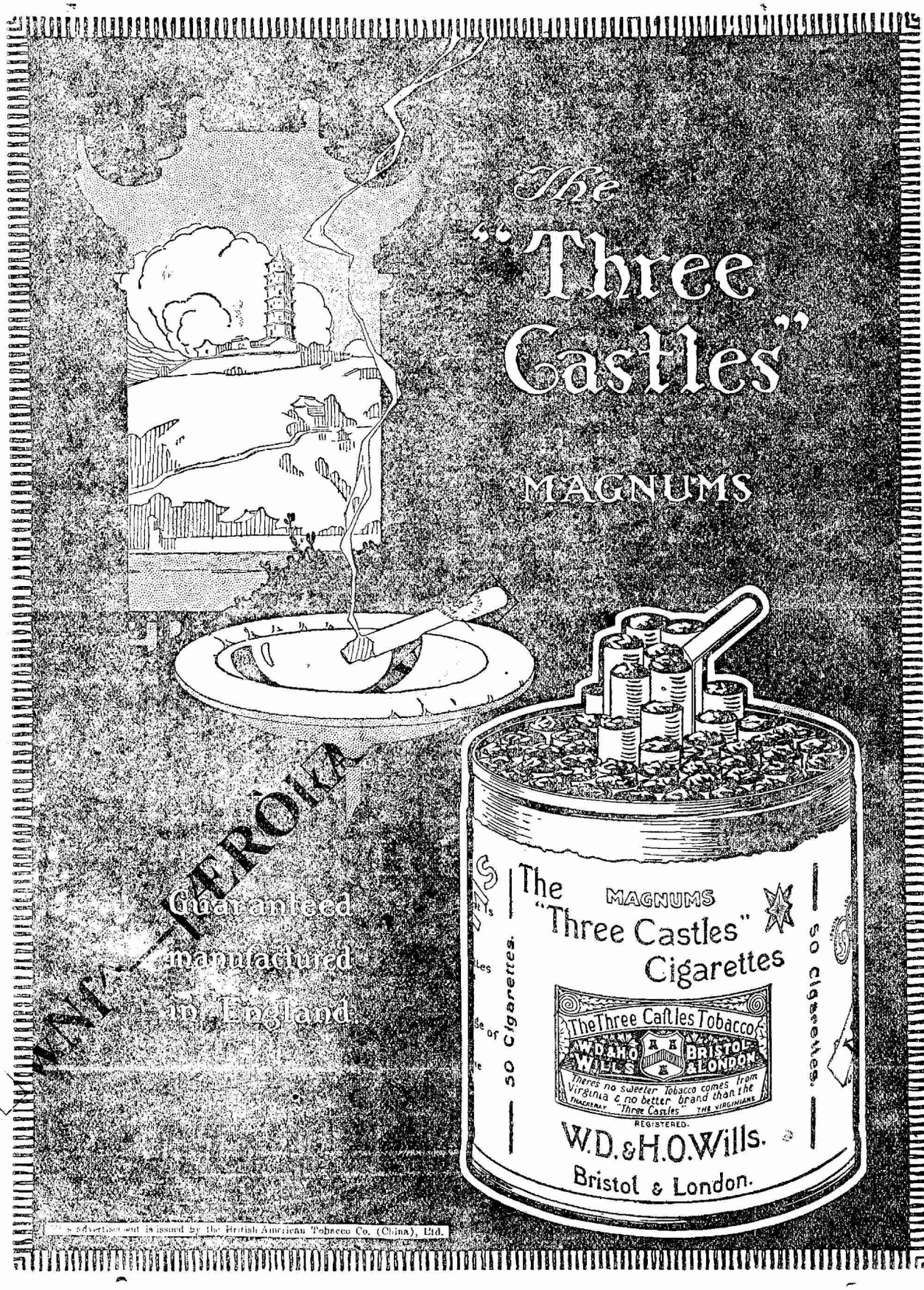
December 22. Washington report says atmosphere is considerably cleared with the announcement of the acceptance by the French of the Navy ratio allotted them by the Conference.——According to information from German circles the situation in Austria is serious and possibility exists of the government being overthrown and substituted by soviets.——According to London dispatch a serious revolution has broken out in Port Said with heavy casulities reported on both sides.——According to Dublin report debates on the treaty still continue in the Irish parliament with de Valera apparently gaining strength in his opposition to his ratification of the pact.

December 23. A statement is issued at the White House that President Harding is of the belief that the Quadruple Agreement does not cover Japan proper in its provisions. ——London dispatch says sister of ex-Mayor of Cork makes vehement attack on the treaty announcing it the greatest treachery in history.——Chita dispatch says all Siberia is mobilizing to stop Jap aggressions and are ready for call to take field against the White guards.

December 24. Paris reports says *Petit Parisien* asserts Lloyd George plans new covenant binding France and Germany with Italy as well as to land forces and Britain is ready to renounce their reparations question.——Washington dispatch says final agreement on navy limitation questions expected and "Peace on Earth" is message conferees plan for Christmas.——L. Boppe, brother of late Minister to China, is arrested on charge of having twice attempted to murder his wife.——Marshal Foch, upon his return to Paris from United States, pays high tribute to America. ——Washington dispatch says Secretary of Commerce Hoover continues conference on sugar importers and growers and Cuban sugar men are fighting the two cent tariff.

December 25. President Harding makes another statement assuring people that no entanglement is possible and that the pact is in full accord with American traditions and is 100 percent American.——Vladivostok report says Japanese financiers are negotiating a loan of 5,000,000 yen to the Vladivostok government.

December 28. London dispatch says Miss McSwiney's attack on treaty drove many members from the Chamber and injured the author more than it helped the opponents.—— Cairo report announces serious fracas occurred in the native quarter.——President Harding send out Christmas message emphasizing the need of peace and the object of the Four—Power Treaty.——Washington dispatch says Italy and Japan balk at cutting U—boat program to suit American ideals.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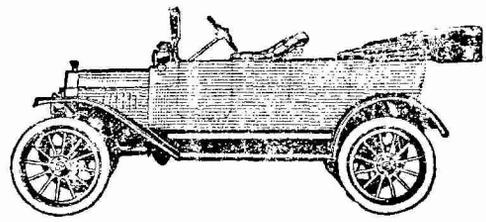

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A. MILDNER, *Manager.*

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CHINA'S PROGRESS IN INDUSTRY

Government Bureau of Economic Information, Republic of China

New Companies—The following is a list of new companies registered during August and September:

August

Name of Company	*Capital*	*Location*	*Date of Registration*
Cheng Yeh Reclamation & Forestry Co.	$ 4,600	Sinchenghsien, Honan	2.8.21.
Hua Yu Cotton Goods Manufacturing Co.	Tls. 40,000	Shanghai	2.8.21.
Ta Feng Spinning & Weaving Co., Ltd.	$1,000,000	Shanghai	2.8.21.
Yu Chang Yuan Flour Manufacturing Co.	.....	Kirin	5.8.21.
Chien Mei Printing Co.	$ 500,000	Shanghai	3.8.21.
Ho Feng Lu Chan Co., Ltd.	20,000	Yenchen, Honan	8.8.21.
Cheng Tai Spinning & Weaving Co., Ltd.	Tls. 800,000	Shanghai	24.8.21.
Hwa Chin Flour Manufacturing Co. Ltd.	$ 400,000	Tsinan, Shantung	29.8.21.

September:

Hwang Chiao Dying & Weaving Co., Lted.	.....	Hwangchiao, Kiangsu	7.9.21.
Tung Ho Match Box Manufacturing Co.	$ 5,000	Kinghwa, Chekiang	7.9.21.
Sun Chang Timber Mill Co.	20,000	Wuhu, Anhwei	8.9.21.
Tung Chen Warehouse Co., Ltd.	.....	Tientsin, Chihli	8.9.21.
Jen Ho Shipping Co.	.....	Mukden, Fengtien	8.9.21.
Shao Hing Steamship Co., Ltd.	.....	Fengtien	8.9.21.
The Metropolitan Water Works	$1,000,000	Peking	14.9.21

The following companies were also registered during August. A second registration was necessitated either by revision of company regulations or increase of capital:

Name of Company	*Location*	*Reason for Registration*
Hung Yu Spinning & Weaving Co., Ltd.	Shanghai	Increase of Capital
The Oriental Dispensary Co., Ltd.	Foochow, Fukien	Revision of Company Regulations
The National Commercial Bank	Hangchow, Chekiang	,,
Fow Ming Straw Hat Manufacturing Co.	Luchen, Shansi	,,
The Shanghai Commercial Savings Bank Ltd.	Shanghai	,,
Hwa An Forestry Co., Ltd.	Fengtien	

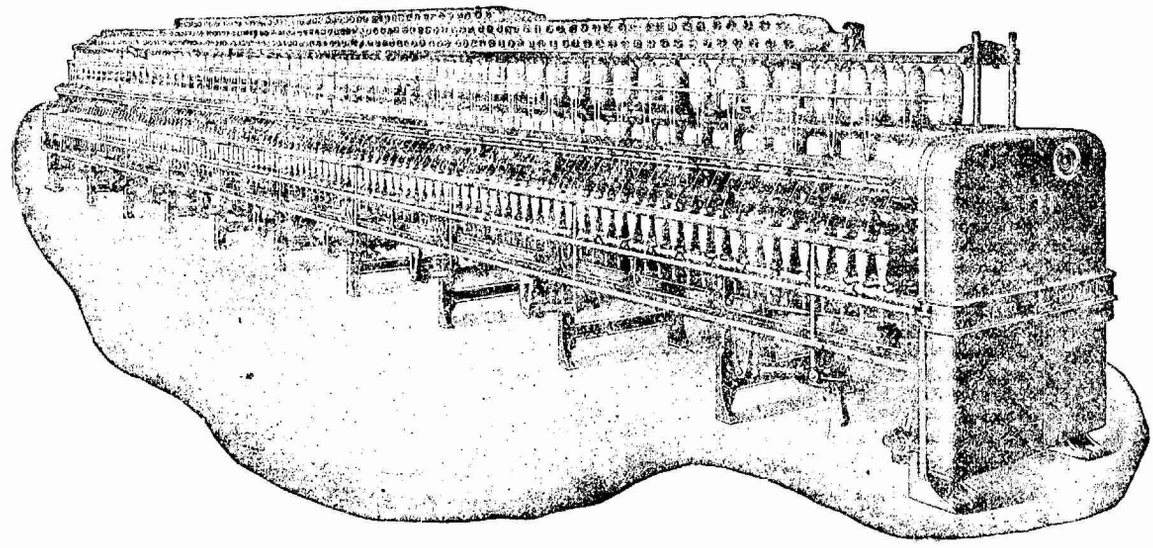
Power Plaint for Sachi—The Shachi Electric Light Company (沙溪電燈公司) at Shachi (沙溪) has been granted a registration by the Ministry of Communications.

Manufacture of Medicine—The Tsui Hua Medical Works (粹華製藥廠) has been organized by the medical profession and other prominent merchants for the purpose of improving Chinese medicine. Its sales office are on Nanking Road, Shanghai.

Paper Making—Mr. Liu Kun-sin (劉更新) a chemist, and others organized the King Kiang Hsin Kee Paper Mill (錦江協記造紙廠) outside the South Gate, Chengtu (成都) for manufacturing a fine quality of paper from rice stalks. The Mill will start work as soon as the necessary capital is raised.

Groundnut Production in Shantung—According to the report of the Native Produce Society (Shantung) the groundnut production in the province for 1921 has shown a decrease. The bad harvest resulted from the excessive rainfall. The total harvest was 140,000 tons as compared with 150,000 tons in 1920, 160,000 in 1919, 500,000 tons in 1918 and 200,000 tons in 1917.

COTTON MILL MACHINERY



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"The Road Through the Heart of China"

Peking-Hankow Line

Chinese Government Railways

PASSING through China's most magnificient scenic regions, traversing the great plains of Chihli, the central portion of Honan and the mountainous region of eastern Hupei province, the PEKING-HANKOW LINE—the most important of China's rail routes—enables tourists and travelers to obtain a glimpse of Old China.

The Peking-Hankow route joins the main line of the Peking-Mukden Railways at Fengtai, connecting by so doing with the railways of Manchuria, Korea, Japan and Siberia. Steamer service at Hankow brings it into easy communication with Yangtze River ports and Shanghai.

From Peking to Hankow is a journey of 34 hours, by the daily express train, which has modern dining and sleeping car accomodations.

Few summer resorts in China can compare in natural charm of views and comforts afforded with Chikungshan Mountain, whose summit reaches an altitude of 1980 ft. A serpentine road climbs the mountain from Sintien Station, 110 miles from Hankow, on the summit of which are beautiful bungalows awaiting vacationists.

One of the most impressive sights in China, the Western Tombs may be reached by a branch line which was built exclusively for the use of the former Imperial Sovereigns to visit the tombs of their ancestors. The site of the beautifully adorned Imperial Tombs, which include the mausoleums of four Manchu Emperors, three Empresses and a number of Princesses, is close to the Liang Ko Chwang Station, 79 miles from Peking. The region is justly appreciated for its charming, Oriental scenery and atmosphere.

ABRIDGED TIME TABLE

(Through Express Service Only)

1 Direct W.L.B. 1.2.3.cl.	3 Sem-dir W.L.B. 1.2.3.cl.	STATIONS.	2 Direct W.L.B. 1.2.3.cl.	4 Sem-dir W.L.B. 1.2.3.cl.
8.00	21.00	dep. Peking Chienmen.....arr.	21.35	7.55
8.18	21.18	,, Paomachang .....dep.	21.19	7.39
8.58	21.50	,, Changsintitu ..... ,,	20.52	7.14
9.47		,, Liuliho..... ,,	19.58	
10.40		,, Kaopeotien ..... ,,	19.04	
12.34	0.43	,, Paotingfu ..... ,,	17.23	4.24
16.30	3.57	,, Chengtingfu ..... ,,	13.22	1.08
17.36	5.03	,, Shihkiachwang ..... ,,	12.11	0.02
21.27	8.07	,, Shuntehfu ..... ,,	8.33	21.15
0.11	11.41	,, Changteh Ho..... ,,	5.29	17.30
2.48	15.04	,, Siusiang..... ,,	2.52	14.13
6.13	17.58	,, Chengchow..... ,,	0.26	11.24
7.24	20.48	,, Hsuchow ..... ,,	22.15	3.33
9.14	23.04	,, Yencheng ..... ,,	20.35	6.43
11.11	0.44	,, Chumatien ..... ,,	18.16	4.45
14.09	3.12	,, Sinyangchow..... ,,	15.09	2.13
15.26	4.19	,, S'tien(Chikungshan) ,,	13.46	1.03
18.56		,, Siaokan ..... ,,	9.55	21.50
20.50	9.15	arr. Hankow Tachimen... ,,	8.00	20.00

19-230

Current Market Reports

Weekly and Monthly Conditions and Quotations of China's Principal Markets

Weekly Cotton Market Report

By A. B. Rosenfeld & Son

China Cotton:—During the past week the cotton market has been uneventful but with a rather firm undertone in a general way with a gradual stiffening of quotations at the "Exchanges" until and an advance of some 120 points from last week's level had been attained. Spinners, however, are practically out of the market, being well stocked with the raw material for some time to come. In view of this fact and the utter impossibility of exports, what little sentiment there is leans towards the "Bear" side. It would be unwise, however, to disregard the effect of the months after Chinese New Year on the minds of holders of "Actual Cotton" and on the action of Speculators. We are, therefore, still of the belief in lower prices for the near months.

Yarn.—The market has been keeping steady to firm since our last report was issued. Some 11,000 Bales have changed hands at an advance of four to five taels for Spot and forward delivery to be shipped to Szechwan. Up-river ports Newchwang, Tientsin, Swatow and other centers.

Liverpool, December 22, 1921.

Liverpool Market:—

Middling American, Spot .....10.92 Pence
" " January .....10.85 "
" " March .....10.81 "
Market:—*Steady.*

New York, December 22, 1921.

New York Market:—January .....18.08 Cents
May .....17.66 "
July.....17.24 "
Spot .....18.40 "
Market:—*Steady.*

Bombay, December 22, 1921.

Bombay Market:—

Broach, F. G. April/May .....Rps. 488 per Khandy.
Fully Good Bengal Dec./Jan..... " 326 " "
Fine Oomra, December/January .. " 440 " "
Market:—*Steady.*

Shanghai Market:—

Tungchow December.....Tls. 33.00
Shanghai December ..... " 29.50
" M-ginned, December..... " 29.50
Taichong December ..... " 31.00
Tone of the Market:—*Steady.*

The American Stock Market

The Chinese American Bank of Commerce has received the following telegraphic quotations, dated New York, December 22, 1921.

American Stocks

Liberty Bonds	3rd 4½'s	1928	97.70
Victory Bonds	4¾'s	1922-23	100.00
American Telephone and Telegraph Convertible	6's	1925	108.00
Standard Oil Co. of New York	7's	1931	107½
New York City	4¼	1965	104¼
British-American Tobacco Co., Ltd. Common			12¾
Pacific Development Corporation Stock			4.00

Weekly Silk Market Report

China Steam Filatures: Market remains quiet and inactive. Prices firm and holders unwilling to make concessions.

Tsatlees: With the exception of a few bales of Market Chops at Taels 1150, no business has been reported. There is very little available cargo and Prices are firm.

Tussahs: A further advance has been recorded since our last report. Japanese paid on the 20th Tls. 750. A foreign firm paid on the 21st Taels 765, later same day Japanese bought a few bales at Tls, 780. A small purchase was reported in the 24th at Tls. 800 by Japanese. Market is very strong and further advances expected.

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THE

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The following purchases have been reported during the week:

13 B/s	Woyang	Moon	1-2-3	Tls. 500
20 ,,	Yellow Silk	Kobun		,, 465
5 ,,	,, ,,	Suchoen		,, 340
20 ,,	Tsatlee Filatures	Eagle & Skein	1-2	,, 1150
10 ,,	,, ,,	Red Peacock	1-2	,, 1150
20 ,,	,, ,,	Ostrich	1-2	,, 1155
10 ,,	,, ,,	K. K. Mars	1	,, 1085
20 ,,	Tussahs Filatures	W. D. Elephant grade	1-2	,, 765
20 ,,	,, ,,	,, ,,	1-2	,, 770
120 ,,	,, ,,	,, ,,	1-2	,, 780
20 ,,	,, ,,	,, ,,	1-2	,, 800

Shipment up to December 20, 1921.

	Season 1921/1922	Season 1920/1921
White Steam Filature	13946 B/s	11578 B/s
Yellow Steam Filature	5849 ,,	401 ,,
White Silks	4728 ,,	4368 ,,
Yellow Silks	9437 ,,	7479 ,,
Tussahs	5608 ,,	3471 ,,

Yokohama: Reports market firm, demand being chiefly for high grades. Stock is about 16,500 Bales.

Japanese Report:

Profits of the Imperial Silk Co.

In connection with the disposal of the Imperial Silk Co.'s holdings in part, an official of the Agricultural and Commercial Department is understood to have stated that the present rise of the raw silk market is attributable mainly to a great decrease in the stocks held in America. Prices cannot be considered as declining for a time to come, but will probably advance further. For the present the export capacity of Japan silk of 160,000 boxes, including 75,000 or 76,000 boxes of the pool's stock, is calculated to be only enough to meet one month's demand of America and other countries. The company not existing for an object of profiteering but for maintaining the market, will put on sale the remainder of its holdings at another chance, since it has already accomplished its purpose. It is reckoned that the company is realizing a profit of 10,000,000 yen by the recent sale, and when another sale is made, the total profits will reach upwards of 20,000,000 yen. Yet it cannot distribute all these profits among its shareholders, as its dividend rate is fixed by law to be 10 percent, or less, and the undivided part of its profits will have to be disposed of by the order of the Minister of Agriculture and Commerce, who is likely to establishing a special banking system for silk men as is earnestly desired by them.

A Kobe Silk Conditioning House

It is reported that movements have been started by the Kobe Chamber of Commerce for establishing a silk conditioning house in Kobe for the alleged reason that the silk industry in Western Japan has made great development of late and Kobe is possessed of better accommodations for silk shipment than Yokohama. The shipment of raw silk direct from the port by establishing a silk conditioning house there will afford great convenience to foreign buyers of Japan silk.

International Silk Conference

The proposal to hold an international silk conference in Tokyo next spring by taking advantage of the holding of the Peace Exhibition was a subject of discussion at a meeting which took place on the 14th after a banquet given in the welcome of Mr. Muto, a director of the Imperial Silk Co., who has recently come back from a tour in Europe and America. A committee was selected to consider the details, and was to meet on the 20th.

Shipments

Season 1921/1922	(July 1st to December 8th)	121,000 B/s
,, 1920/1921	,,	58,000 ,,
,, 1919/1920	,,	138,000 ,,

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THE Carthaginians were the greatest traders of their time. These Carthaginians would sail along the Mediterranean with a boat load of merchandise until they reached the coast of Libya. There they would unload their cargo and then lighting a big bonfire near their goods would return to their ship.

The inhabitants drawn by the bonfire, would come out of their city to inspect their goods. If they liked the merchandise they would deposit a pile of gold nearby and retire behind their walls. The Carthaginians would again land, weigh the gold and if its value was adjudged sufficient to compensate for the value of the merchandise, they would take it and sail away. If insufficient they would load their cargo and sail away to other ports.

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KOBE

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SOURABAYA

PHILIPPINES
MANILA
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MADRID

STRAITS SETTLEMENTS
SINGAPORE

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SANTO DOMINGO
SANCHEZ
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SAN PEDRO de MACORIS
SANTIAGO
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SANTIAGO
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ITALY
GENOA

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LIMA

PORTO RICO
PONCE
SAN JUAN

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MOSCOW } Temporarily
PETROGRAD } Closed

URUGUAY
MONTEVIDEO

VENEZUELA
CARACAS

Commercial and Travellers' Letters of Credit, Bills of Exchange and Cable Transfers bought and sold. Current accounts opened and Fixed Deposit in local and foreign currencies taken at rates that may be ascertained on application to the Bank.

N. S. Marshall, *Manager.*
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SHANGHAI

Shanghai Exchange for week ending Wednesday, December 28th

By Maitland, Fearon and Brand

Exchange:—The London price of silver at 34⅞d. is 1d. lower than last Our rate for T/T on London, in the absence of cover in the from of Exp has declined 1½d. to 3/6d. Our exchange Market has remained firm f deliveries, on the "end of the month" exchange settlement, but at the cl are signs of easier money and the general outlook is for lower rates of Exchange.

Our stocks of silver are reported as follows:—

Sycee and Bar Silver..... Tls. 26,113,000 a decrease of Tls. 3,3[illegible]
Chinese and Mexican Dollars .. $ 23,600,000 an increase of $ 19[illegible]
estimated value in Tls. 46,105,000 as against Tls. 53,491,000 held at this ti year.

†	Average rates for Nov.	Thurs. Dec. 22	Friday Dec. 23	Sat. Dec. 24	Mon. Dec. 26	Tuesday Dec. 27	W Dec.
Bk's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*op cl*
T/T London	3/9.423	3/7	3/6	3/6			
D/Dfts. ,,	—	3/7¼	3/6¼	3/6¼			
4m/s ,,	—	3/7⅛	3/6⅛	3/6⅛			
T/T India	279.202	270¼	265½	265½			
T/T France	1,051.931	940	925	925			
T/T N. Y.	75.115	75⅛	73⅛	73¼	BANK HOLIDAY	BANK HOLIDAY	
T/T H'kong	71.346	72⅛	72⅛	72¾			
T/T Japan	64.201	63¾	65⅛	65⅛			
T/T Batavia	220.567	209	203½	203½			
T/T Straits	61.250	64¾	66¼	66¼			
Bk's buying rates							
4m/s B/L. Cred, D/A	4/0.423	3/10	3/9	3/9			
4m/s ,, D/P	—	3/10½	3/9½	3/9½			
6m/s ,, ,,	4/1.673	3/11¼	3/10¼	3/10¼			
4m/s ,, ,,							
4m/s B/F. C., D/A, D/P	1,151.931	1040	1025	1025			
4m/s N.Y. Lc.	82.115	82½	80½	80¾			
4m/s ,, Docs	—	83¼	81¼	81			

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling.	Dec. 22	Dec. 23	Dec. 24	Dec. 26	Dec. 27	D
Bullion.						
*London Price of Bar Silver per oz. (English Standard 925 touch) Pence.	35½	35⅛	34⅞			3
Shanghai Price of Gold Bars (weight Tls. 10 (Chauping) 978 touch	G. $. 66 Tls. 320²⁰	G. $. 65¼ Tls. 316⁰⁰	G. $. 64¾ Tls. 319¹⁰	HOLIDAY	HOLIDAY	G. Tl.
Shanghai Silver Bars (weight Tls. 100 (C.) 999 touch)	111⁰⁰	111⁰⁰	111⁰⁰			11
Shanghai Mexican Dollars per $100	72.90	72.9125	72.90			72.
Native Bank Rate of Interest (Callmoney)	1½%	2%	2½%			1

*Closing Price in London for Previous day.

Bank of England rate of discount		5½%	London on Paris	T/T
Bank of France rate of discount		5%	London on Germany	T/T
London open Market rate of Discount	3 m/s.	3⅝%	New York on London	T/T
,, ,,	4 m/s.	3⅝%	Bombay on London	T/T
,, ,,	6 m/s.	3½%	Hongkong on ,,	T/T
			Yokohama ,, ,,	T/T

What the Ships Carry Between America and China

(Taken from the Daily Returns of the Shanghai Customs from Saturday, December 10, to December 12, 1921)

(*Key: Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs.—Pieces; Mi.le—thousands; Hk. Tls.—Haikwan Taels, Customs Rate Dec. Tael 1.17 equal Gold. $1.*)

S. S. Tenyo Maru, December 1.

To San Francisco.

Silk Piece Goods	Pls.	0.64
Tea, Green:		
Gunpowder, Ningpo	Pls.	145
Hyson, other Ports	,,	57
Egg Yolk, Dried	,,	84
Walnuts, Kernels	,,	131

To Baltimore.

Straw Braid, White	Pls.	53

To Boston.

Wool, Sheep's	Pls.	2,412

To Chicago.

Silk, Raw, Steam Filature:		
White, other Ports, Bls. 3.	Pls.	3.22
Silk, Raw, Filature:		
Wild, other Ports, Bls. 69..	Pls.	69.43

To Newton.

Silk, Waste:		
Shanghai, Bls. 5	Pls.	16.51

To New York.

Silk, Raw, Re-reeled:		
White, other Ports, Bls. 340	Pls.	344.66
Silk, Raw, Steam Filature:		
White, Shanghai, Bls. 109 .	Pls.	107.12
Silk, Raw, Filature:		
Wild, other Ports, Bls. 68..	Pls.	67,93
Straw Braid, Mottled	,,	8
Straw Braid, White	,,	53
Wool Goat's	,,	180
Wool, Sheep's	,,	3,693

To Philadelphia.

Wool, Sheep's	Pls.	2,454

S. S. Canadian Winner, December 1.

To San Francisco.

Feather, Duck	Pls.	64
Oil, Wool	,,	2,355
Vegetable, Tallow	,,	9,229
Carpets	Pcs.	15

To Seattle.

Oil, Wood	Pls.	940

S. S. Delagoa Maru, December 2.

To Darby.

Silk, Waste:		
Other Ports, Bls. 152	Pls.	556.41

To Newton.

Silk, Waste:		
Shanghai, Bls. 98	Pls.	60.09

To New York.

Silk Pongees, Honan	Pls.	30.07
Silk, Pongees, Shantung	,,	14.31
Antimony, Oxide	,,	168
Bristles	,,	997
Egg Albumen, Dried	,,	455
Egg Yolk, Dried	,,	252
Feathers, Duck	,,	295
Hair, Horse	,,	17
Hides, Buffalo	,,	579
Intestines, Pig	,,	51
Oil, Wood	,,	5,858
Peas, White	,,	3,360
Seed, Sesamum	,,	840
Wool, Sheep's	,,	1,003
Carpets	Pcs.	17
Hats, Rush	,,	178,200

S. S. Harold Dollar, December 2.

To San Francisco.

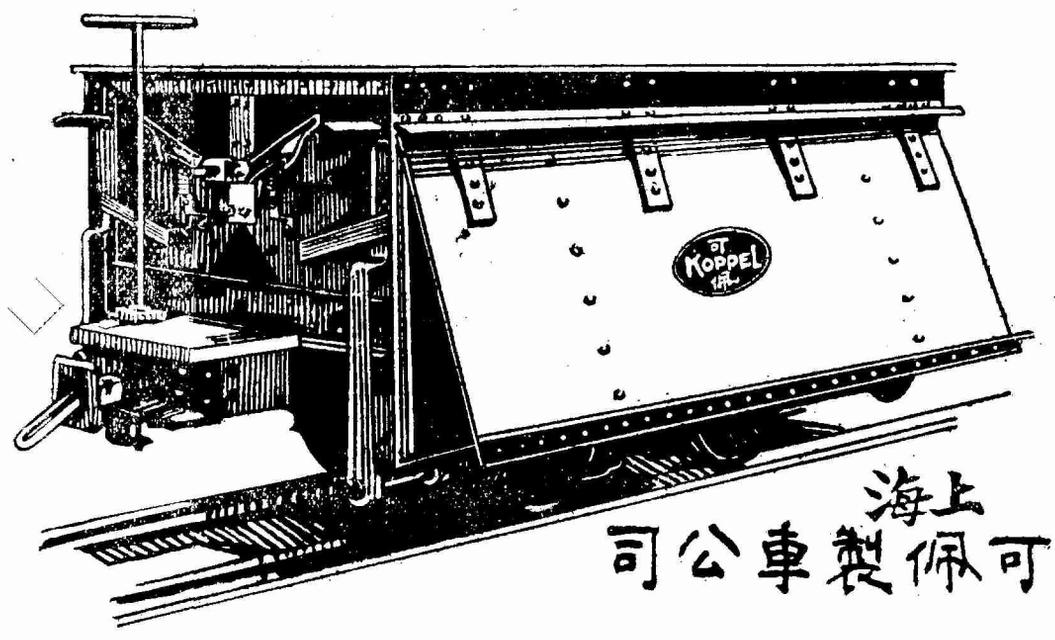
Walnuts, Kernels	Pls.	186

To Seattle.

Oil, Wood	Pls.	1,882

S. S. Bowes Castle, from U. S. A., Nov. 19.

Sheetings:		
Grey, 15½ lb, under 110 threads per square inch	Pcs.	12,000
Grey, 15½ lb, over 110 threads per square inch	Pcs.	500
Motor-car	Pls.	8
Motor-trucks	,,	1
Watches	,,	1
Copper Ingots	,,	11,762
Iron Bolts and Nuts	,,	37
Iron Nails, Cut	,,	270
Iron, Galvanized:		
Sheets, Plain	Pls.	58
Calcium, Carbide of	,,	165
Celluloid Sheetings	,,	46
Cheese	,,	9
Ether	,,	2
Flour, Corn	,,	45
Glucose	,,	91
Glycerine	,,	17
Ink, Printing	,,	155
India-rubber Cloth	,,	39
Leather, Kid	,,	1
Olives	,,	7
Paper, Coated	,,	18
Paper, Packing	,,	38
Paper, Wax	,,	33
Paper, Writing	,,	6
Soda, Sulphate of	,,	3
Machinery	Hk. Tls.	84,110



Gable Bottom cars for Iron Ore supplied to a China Iron Mine.

KOPPEL INDUSTRIAL CAR & EQUIPMENT CO.

No. 1A Canton Road
SHANGHAI

19-235

New Books and Publications

Clever Gossip.

The Mirrors of Washington, Anonymous, with fourteen cartoons by Cesare and fourteen portraits. New York: G. P. Putnam's Sons; 1921.

IF we could lure a cynical and wise old newspaper man from Washington into a Shanghai club and let him tell us what he knows of the great and the near-great in America's capital, we would get what is here presented between the covers of a book. There is in it all the certainty that comes of familiarity with a little of the contempt. The auther deals with fourteen men who are important in the public life of America today. A qotation or two will do more than any attempt at a review to show the nature of his exposition and it will probably help to explain the author's anonymity.

Of Mr. Harding the author says, "Main Street has arrived in the White House." He quotes Mr. Harding as saying during the campaign, "Of course I can make better speeches than these but I have to be so careful." An author who starts a book in this vein and keeps it up may come to have the thanks of the future historian but he can hardly expect enthusiastic approbation from the gentlemen he handles so hardly.

But the author outdoes himself when he comes to Senator Henry Cabot Lodge. He accuses the Senator of attacking President Wilson because "Mr. Wilson was so far his superior in erudition, especially in Mr. Lodge's chosen profession of history, that he resented being deprived of his monopoly" as the scholar in politics. So vitriolic is the author that a reader who has no love for Senator Lodge is likely to end with a feeling that the Senator can't be quite as bad as he is painted.

Of the fourteen the author seems to like Secretary, Hughes best. He has some respect for Mr. Hughes' mind and the respect seems to be sincere though he cannot resist quoting Justice Brandeis' remark that Mr. Hughes' "is the most enlightened mind of the eighteenth century."

If you enjoy informed gossip, get the book and read it. It may not all be true but it's enlightening.

China, Japan and the U. S. A., by John Dewey New York: Republic Publishing Co., Inc.: 1921.

CHINA, Japan and the U. S. A., is a collection in pamphlet form of the articles written by Dr. John Dewey, during his recent visits to China and Japan, and after his return to the United States, and published in the *New Republic*. The pamphlet is the first of a series to be issued by that publication. Those who are interested in Dr. Dewey's impressions of national and international problems in the Far East will find the small work valuable. The majority of the articles are ones with which the readers of the *Review* are familiar, they having been reprinted at various times in this publication because of their local interest. The articles composing the pamphlet are: On Two Sides of the Eastern Seas, Shantung, As Seen From Within, Hinterlands in China, A Political Upheaval in China, Divided China, Federalism in China, A Parting of the Ways for America.

"The future of Europe is bound up with Asia. . . ."
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Articles have been contributed recently on the Far East by:—Professor E. H. Parker, Dr. Inazo Nitobe & Mr. Michizo Masuda, etc., etc.
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Proceedings of the East India Association.
Special reports of meetings of Societies interested in Asia.
ARCHAEOLGOGICAL SECTION—LITERARY SUPPLEMENT—NEW COMMERCIAL SECTION
Publishers: EAST AND WEST, LIMITED, 3 Victoria Street London, S. W. 1.
Agents for the Far East: Kelly & Walsh; Maruzen & Co.

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Outline for the Study of Current History, Finance and Commerce of China

by

C. F. REMER, M. A.,

Professor of Economics, St. John's University

and

DONALD ROBERTS, M. A.,

Professor of History, St. John's University

This outline, primarily for the use of middle schools and colleges, is based upon the Review for last week. It is not intended that the whole of the outline be used but that those topics be selected that are found to be adapted to the class.

1. International Affairs

1. A First Hand Story of the Conference.

Read the article on pp.144-148. This will serve as a good means of reviewing the chief statements that were made regarding China at the Conference shortly after its opening; and a comparison of the views given by the different delegations will afford an opportunity of drawing conclusions as to what is likely to be accomplished and what the difficulties are.

Questions. 1. Secretary Hughes in his opening remarks referred to "China's ancient civilization, the intelligence and industry of her people, her great potential wealth." Is her ancient civilization a source of strength to China today? 2. Is the nature of her ancient civilization the chief reason for her present political backwardness? 3. Is the "intelligence" of her people *political intelligence?* 4. Study the remarks made by Dr. John Dewey (p.145) regarding the statement of the Chinese delegates. Why does he call their proposals shrewd? (look up the word in the dictionary.) 5. Which article does Dr. Dewey regard as most important, and why? 6. What is meant by referring to a treaty as having been signed "under duress"? Look up the word "duress." 7. What is the nature of the statement made by the French delegation in regard to the Far East? (French relations with Indo-China began as far back as 1787. The French protectorate over Annam was established in 1887.) 8. Comment on the statement that "the highest form of selfishness is doing good to others." Is it true to say that all men at times act from selfishness, but that some kinds of selfishness are "higher" or better than others? Be careful in making your answer. 9. What opinions are expressed by Ma Soo, the Cantonese representative in Washington? Do you agree or disagree?

2. The Washington Conference During the Past Week.

Read the news article on p.152-154, on the events up to December 21.

Questions. 1. What is the present status of the Shantung Railway question? 2. In the treaty draft which is here given regarding the island of Yap, what is the chief object of settlement? 3. What is the present status of the disarmament question? What has been France's contention? 4. Discuss the statements made in the concluding paragraph concerning the Quadruple Alliance.

3. Today in the Far East.

Read the article on pp.148-150.

Questions. 1. Who is the writer of the article? Do you know what books he has written on Chinese political matters? 2. The writer makes the statement that he attributes Japan's aggressions in China "more to popular pressure that to bureaucratic desire." What does this mean? What fact is mentioned to illustrate the statement? 3. What statement is made regarding the "pressure of population" in Japan? What statements are made in proof of it? 4. Is the birth-rate in Japan increasing or diminishing? 5. What is meant by a "higher standard of living" in the countries populated by white races? What economic advantage does a Japanese farmer or laborer have over his white competitors in such a country? 6. State the writer's views on the subject of railways in China. In what sense is the Shantung Railway a "test case"? 7. Is China at present making any progress at all in the reform of her judicial system? Does much depend upon such reform? 8. "If the Conference is to be a success, precise dates and figures must be set to every arrangement made." Discuss this statement.

2. Domestic Affairs

1. Political Changes in Peking

Read the editorial article p.142

Questions. 1. Have the recent changes in the Cabinet been foreseen? 2. Who is responsible for the fall of the previous Cabinet? 3. What reasons are assigned? 4. What is a "coalition cabinet"? (Look up the word in a dictionary if you do not know.) 5. Who is the new Premier, and what new members are in the Cabinet? 6. What do you know of the career of Tsao Julin? 7. Is this change in the Cabinet likely to bring reaction or progress?

2. The Far Eastern Republic and Japan.

Read the short item on p.142 (bottom).

Questions. 1. Who is General Merkuloff? What is his relation (a) to the Siberian government? (b) to the Japanese government? 2. Is there any danger in the present situation in Siberia?

3. Chang Tso-ling on the War Path.

Read the article on pp. 143-144.

Questions. 1. What was the reason for General Chang's going to Peking? 2. What has been the point of contest between him and the Bank of Communications? Has he been successful? 3. What was General Chang's part in the Cabinet changes recently made? 4. What are his fears in regard to Manchuria and Mongolia? 5. Is he much concerned by the situation in Central China? 6. How does Peking regard Chang Tso-ling?

3. Commerce and Finance

Topic 1. The Mineral Resources of China.

Read the article on this subject on pp. 150-52.

Questions: 1. Why does the author deal with the subject of railways in the beginning of an article on mining? 2. What does he show by the statistics he quotes of the relation between railways and mines in the United States? 3. If the same percentage of China's population were engaged in mining as in the case of the United States, how many would be so engaged? 4. What was the value of the product per miner in the United States? in China? 5. Do you think that these facts help to explain the difference in wages between China and the United States? 5. How do you explain the fact that a miner in the United States produces more than a miner in China? 7. What does the author think of "the popular notion that China contains fabulously rich mineral wealth"? 8. Does his conclusion seem reasonable? 9. Why are iron and coal put first in the list of mineral products? 10. The present industrial period is sometimes called the Iron Age? Why? 11. What Chinese province contains more iron ore than any other? 12. Does this help you to understand the political problems of the Far East?

Topic 2. The Director of the Shanghai Mint.

Read the account of the career of Mr. Sah under the heading; Who's Who in China.

Questions: 1. What positions has Mr. Sah held that fit him for the position of director of the Shanghai Mint? 2. Make a list of the advantages that come from the use of coined money? 3. How do you account for the fact that China has had coined copper for hundreds of years but has not had coined silver except for a few years?

The United States Court for China

(Established by Act of Congress of June 30, 1906).

JUDGE, Charles S. Lobingier.
DISTRICT ATTORNEY, Chauncey P. Holcomb.
COMMISSIONER, Ferno J. Schuhl.
CLERK, William A. Chapman.
DEPUTY CLERK, L. Macoubrey.
MARSHAL, DISBURSING OFFICER, } Nelson E. Lurton.
DEPUTY MARSHAL, Wm. Van Buskirk
OFFICE HOURS 9-1; 2-5.

TIENTSIN:

DEPUTY MARSHAL, William T. Collins.

CANTON:

DEPUTY MARSHAL, William R. Lynch.

All Notices, Announcements, Judgments, Orders and other Proceedings appearing in this department of THE WEEKLY REVIEW may be accepted as authentic.

Motion Day.

All contested motions and demurrers will hereafter be heard on Mondays, beginning at 3 P. M.; provided notice thereof with proof of service on the adverse party or his attorney shall have been filed in the Clerk's office by 1 P. M. of the preceding Saturday.

Minutes of Recent Proceedings

Hearings:

(Before the Commissioner)

Dec. 24, 1921, Cause No. 1562, U. S. v. Pringle; testimony taken of Whitescarver, Sprague, Young and defendant.
" 24, " " " 1565, Pardoe v. Hexamer; default entered; testimony taken of Pardoe.
" 24, " " " 1536, Singh v. Bonifacio; testimony taken of plaintiff and defendant.
" 24, " " " 1569, U. S. v. Thomson; submitted.
" 24, " " " 1586, U. S. v. Lawrence; submitted.
" 24, " " " 1575, U. S. v. Steinberg; testimony taken of Snejinsky, Leitao and Koppany; adjourned.
" 24, " " " 1576, U. S. v. Steinberg; testimony taken of Snejinsky, Leitao and Koppany; adjourned.
" 24, " " " 1577, U. S. v. Steinberg; testimony taken of Snejinsky, Leitao and Koppany; adjourned.
" 24, " " " 1579, U. S. v. Escuin; testimony taken of Liu, C. P. C. 964 and defendant.
" 22, " " " 1584, U. S. v. Burke; testimony taken of Stousland, and defendant.
" 22, " " " 1585, U. S. v. Esmond; testimony taken of Stousland, and defendant.
" 22, " " " 1586, U. S. v. Lawrence; testimony taken of Stousland; adjourned.

AMERICAN TRADING COMPANY, A CORPORATION, PLAINTIFF IN ERROR, v. A. T. STEELE, DEFENDANT IN ERROR.

(No 3585, Decided August 1, 1921, 274 Fed, 774, affirming 1 Extrater, 964.)

SYLLABUS

(By the Editor)

1. **PROCEDURE;** JUDGMENTS. Upon a trial to the Court without a jury a decision in favor of the parties amounts to a general verdict upon the facts.
2. ID: FINDINGS of fact by the trial court in such a case will not be disturbed if supported by evidence.
3. ID.: RULING upon motions and objections in the course of trial may be reserved provided it is made at some stage of the proceeding.
4. **PLEADING.** No reply is required in the United States Court for China.
5. ID. Even where a reply is required its omission will not entitle the adverse party to judgment on the pleadings if issue is otherwise tendered.
6. ID.: Amounts not claimed in the pleadings will be disregarded.
7. **CONTRACTS:** PARTIES. Where one corporation employs a party for another at its instance the latter is liable for his compensation.
8. ID.: CONSTRUCTION. Correspondence construed as effecting a modification of the original contract but subject to all the latter's terms.
9. ID.: ID.: EMPLOYMENT. An undertaking by an accountant to do his "work in an efficient and satisfactory way" is met if the work is done in a way to satisfy a reasonable man.
10. ID.: DAMAGES for the breach of such a contract by the employer include the agreed compensation for the whole period less outside earnings made, or which might reasonably have been made, after discharge; but the employee is not bbliged to jeopardize his own future to secure such earnings.
11. ID.: ID.: THE BURDEN of proving such earnings rests upon the employer.
12. **ARBITRATION AND AWARD.** An award which fails to dispose of all the matters submitted or to provide for its own enforcement will not bar an action upon the original claim.

Messrs Fleming, Davies & Bryan, Garret W. McEnerney, for Plaintiff in Error. *Messrs Jerfigan, Fessenden & Rose, Chickering & Gregory, Donald Y. Lamont,* for Defendent in Error.

Before GILBERT and HUNT, Circuit Judges, and WOLVERTON, District Judge.

This is an action to recover damages for breach of a contract of employment. The contract is embraced by a letter, addressed to Steele, the defendant in error (plaintiff below), as follows:

"San Francisco, Cal. May 27, 1918.

Mr. A. Tilton Steele,
Present.

Dear Sir:—

Confirming the writer's conversations with you during the past few days, we have employed you as follows:

Position: Chief Accountant of our Shanghai office, the duties of which office you are to take up as quickly as possible, proceeding herefrom for Shanghai within about thirty days.

Duration of Employment: Three years from July 1st next or earlier if the time of your departure from San Francisco for Shanghai hereunder be earlier. Should you not leave San Francisco for Shanghai hereunder prior to July 1st, next, your salary will commence on July 1st.

Compensation: Two Hundred and Fifty ($250.00) Dollars U. S. Gold per month for the first year and for the second and third year adjustments of salary to be made at the end of the first and second year, as may be mutually agreed; your compensation, however, not to be less than Ten Thousand ($10,000.00) Dollars for the entire period of three (3) years.

Satisfactory Service: The undertakings herein contained on our part are all conditioned upon your doing your work in an efficient and satisfactory way.

Transportation to Shanghai: In addition to salary as herein provided, we will provide you with first-class transportation to Shanghai.

Bond: It is a condition of your employment that you give any bond the Company may require, the Company paying the premium thereon.

Yours truly.
American Trading Company
(Pacific Coast).
Louis A. Ward.
Vice-President and Manager.

Confirmed and accepted.
A. Tilton Steele."

Dec. 22, 1921, Cause No. 1587, U. S. v. McDonald; testimony taken of Stousland, and defendant.

" 22, " " " 1588, U. S. v. Newhall; testimony taken of Stousland, and defendant.

" 22, " " " 1589, U. S. v. Syronsky; testimony taken of Stousland, and defendant.

" 27, " " " 1575, U. S. v. Steinberg; testimony taken of complaining witness.

" 27, " " " 1576, U. S. v. Steinberg; testimony taken of complaining witness.

" 27, " " " 1577, U. S. v. Steinberg; testimony taken of complaining witness.

Judgments and Orders:

Dec. 27, 1921, Cause No. 1562. U. S. v. Pringle; dismissed.

" 27, " " " 1565, Pardoe v. Hexamer; judgment for plaintiff of Tls. 1000 and costs.

" 27, " " " 1536, Singh v. Bonifacio; judgment for plaintiff of $100. payable $15. per month. No. interest.

" 27, " " " 1569, U. S. v. Thomson; committed for trial; bail Gold $2,000.00.

" 27, " " " 1586, U. S. v. Lawrence; dismissed.

" 27, " " " 1585, U. S. v. Esmond; fine of $10.00 and costs.

" 27, " " " 1587, U. S. v. McDonald; fine of $10.00 and costs.

" 27, " " " 1588, U. S. v. Newhall; fine of $10.00 and costs.

" 27, " " " 1589, U. S. v. Syronsky; fine of $10.00 and costs.

" 27, " " " 1584, U. S. v. Burke; fine of $10.00 and costs; held in custody until sailing of ship.

" 27, " " " 1576, U. S. v. Steinberg; committed for trial; Bail Gold $500.00.

Miscellaneous Filings:

Dec. 22, 1921, Cause No. 1581, Tillson v. Quinn; marshal's return of summons to answer.

" 22, " " " 1580, W. P. Strickland, Receiver of Reid's Ltd. Inc. v. American Industrial Supply Co. et al; order; bond of receiver; summons to answer issued.

" 22, " " " 1582, Korff v. Sternberg; complaint; summons to answer issued.

" 22, " " " 1583, Lu Nge Nee v. Edward Maurer Co. Inc.; complaint; summons to answer issued.

" 22, " " " 1584, U. S. v. Burke; affidavit; warrant of arrest issued; marshal's return of warrant of arrest.

While on his voyage to Shanghai, plaintiff was intercepted by cablegrams from Tokyo by the American Trading Company, notifying him that there was a probability of his being required in the Tokyo office for a few months before going to Shanghai, and to be prepared to leave the ship at Yokohama. Plaintiff conformed to the instruction. On his arrival in Tokyo he received this further letter:

"Tokyo, Aug. 27, 1918.

A. Tilton Steele, Esq.
Present

Dear Sir:

We beg to confirm our conversation of yesterday's date with reference to your temporary employment in this office.

Compensation: The compensation provided for in your original contract made with Mr. L. A. Ward, Vice-President and Manager of the American Trading Company of the Pacific Coast on May 27th calls for a salary of $250.00 Gold per month, or a salary of not less than $10,000.00 Gold for the three years' period of your contract. We have arranged that you are to receive $250.00 Gold at exchange 50, which is the equivalent of Yen 500.00 per month together with an additional allowance of Yen 150.00 per month to cover any additional expenses which you may be put to owing to the change in your plans. The two items above mentioned will make a total of Yen 650.00 per month which you will receive while you are in the employ of our Tokyo office.

Term of Employment: As explained to you, we wish you to remain in Tokyo during the time that Mr. Boyd is absent on holiday which we estimate will be about six months. This time will, of course, apply on your three years' term as mentioned in your original contract.

Travelling Expenses: Any legitimate travelling expenses incurred by you on behalf of the company will be refunded to you.

General: It is understood between us that this temporary arrangement does not prejudice any verbal understanding which you may have had with Mr. Ward or with Mr. Burns prior to your departure from San Francisco.

We remain, Dear Sir,
Yours very truly.
American Trading Company,
D. H. Blake, Vice-President."

Plaintiff at once entered into the service of the American Trading Company as accountant, and while in such service he received the following letter:

"Tokyo March 19, 1919.

A. Tilton Steele, Esq.,
American Trading Co., Tokyo.
Dear Sir:—

With reference to our conversation of a few days ago, we beg to confirm what we told you at that time, to the effect that we had received word from Mr. Burns, Agent of our Shanghai Office, that as he had made satisfactory arrangements with Mr. Manley to remain with the Company, he did not want you to come to Shanghai.

We also confirm our statement that as soon as Mr. Boyd returns to his position in Tokyo, probably about the end of April, we shall have no further use for your services here.

We cannot say what your recourse will be under your contract, but, as intimated the other day, the writer will be glad to render you such assistance as he can in order to effect a mutually satisfactory settlement,—but before anything can be done in this connection it will be necessary for you to make some suggestions in the premises.

We remain,
Yours very truly,
American Trading Company,
D. H. Blake, Vice-President,"

IN THE UNITED STATES COURT FOR CHINA

In re Estate of
JOSEPH SEYMOUR,
Deceased.

Cause No. 1559
Estate No. 418

NOTICE

Pursuant to an Order of said Court, notice is hereby given to all persons having claims against the estate of John Seymour, deceased, to present the same with vouchers, to the undersigned on or before June 16, 1922, and all persons owing the said deceased are hereby notified to make payment of same in due course to the undersigned.

CHAUNCEY P. HOLCOMB,
Special Administrator,
11 Whangpoo Road,
Shanghai.

Shanghai, China, Dec. 17, 1921.

Dec. 22, 1921, Cause No. 1585, U. S. v. Esmond; affidavit; warrant of arrest issued; marshal's return of warrant of arrest.

„ 22, „ „ „ 1586, U. S. v. Lawrence; affidavit; warrant of arrest issued; marshal's return of warrant of arrest.

„ 22, „ „ „ 1587, U. S. v. McDonald; affidavit; warrant of arrest issued; marshal's return of warrant of arrest.

„ 22, „ „ „ 1588, U. S. v. Newhall; affidavit; warrant of arrest issued; marshal's return of warrant of arrest.

„ 22, „ „ „ 1589, U. S. v. Syronsky; affidavit; warrant of arrest issued; marshal's retnrn of warrant of arrest.

„ 27 „ „ „ 1568, Ritchie v. Montgomery Ward & Co.; order.

„ 27, „ „ „ 1565, Pardoe v Hexamer; order; motion.

„ 27, „ „ „ 1583, Lu Nge Nee v. Edward Maurer Co. Inc.; marshal's return of summons to answer.

„ 28, „ „ „ 1568, Ritchie v. Montgomery Ward & Co.; amended petition.

As required, plaintiff quit the service about May 3, 1919.

Claiming that the defendant breached its contract by his wrongful dismissal from its service, plaintiff seeks by this action to recover damages in the amount of the balance due him as salary to the end of his term of employment.

The defendant, by its amended answer, sets up that it is a Maine corporation, and an altogther different entity from the American Trading Company (Pacific Coast), with which plaintiff's contract for services was made; that the controversy has been settled by an award under an agreement for arbitration; and, by the tenth paragraph thereof:

> "That the alleged services rendered by the plaintiff herein to the defendant were neither satisfactory nor efficient, as required in the contract alleged in plaintiff's petition, * * and that the said plaintiff in the performance of his alleged duties was inefficient, negligent and insubordinate to his superiors."

The cause was tried to the court, and determined in favor of plaintiff by written opinion, without the rendition of a verdict, either general or special.

WOLVERTON, District Judge (after stating the facts):

It will hardly be questioned that the decision of the court is tantamount to a general verdict upon the facts, and it will be so treated in our consideration of the controversy.

(*To be continued next week*)

Chinese Government Railways

Approximate Return of Traffic for the period from August 21 to August 31, 1921

Name of Line	Passenger Revenue	Goods Revenue	Sundries	Total Revenue	Compared with same period last year Increase	Compared with same period last year Decrease	Accumulated Total Since Jan. 1 Present year	Compared with same period last year Increase	Compared with same period last year Decrease	Compared with same period last year Percentage of In. or Dec.	Traffic train Kilts. run Accumulated Total Since Jan. 1	Compared with same period last year Increase	Compared with same period last year Decrease	Compared with same period last year Percentage of In. or Dec.
	$	$	$	$	$	$	$	$	$	%	$	Kilts.	Kilts.	%
Peking-Hankow	191264	450525	599	642388	64684	.....	14966558	.....	65507	-0.44	4552214	382605	.....	8.40
Peking-Mukden	281003	424735	-84486	621252	.....	167962	17008912	2843806	.....	16.72	.....	.....	.....	.....
Tientsin-Pukow	131226	78450	1873	211549	.....	251336	10469310	775791	.....	7.41	.....	.....	.....	.....
Peking-Suiyuan	32211	105081	7410	644702	5089	.....	3165059	.....	399059	-12.58	1080950	134910	.....	12.48
Shanghai-Nanking	121791	42097	3783	167671	.....	16742	4516257	479625	.....	10.62	1685359	59335	.....	3.52
Shanghai-H-Ningpo	69969	23899	125	93993	6203	.....	2144737	150139	.....	7.00	872384	4852	.....	0.56
Cheng-Tai	20415	69563	5657	95635	27514	.....	2062244	.....	665009	-32.24	591114	.....	70906	-11.99
Canton-Kowloon	30891	5310	700	36901	2498	.....	843142	156392	.....	18.54	288484	.....	185	-0.06
Kirin-Changchun	19549	55487	465	75501	23861	.....	1771597	288813	.....	16.30	417204	26358	.....	6.32
Taokow-Chinghua	4322	30827	558	35707	.....	2711	630405	.....	63483	-10.07	262910	9180	.....	3.49
Chuchow-Pinghsiang														
Changchow-Amoy	1293	96	493	1882	442	.....	33397	21402	.....	64.09	26599	22939	.....	86.24
Kaifeng-Honan	20777	17943	875	39595	2702	.....	1138374	147469	.....	12.95	337971	23073	.....	6.82
Wuchang-Changsha	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Ssu-Tao	5790	15226	174	21190	7646	.....	504217	.....	12203	-2.42	138152	6389	.....	4.62
TOTAL	930531	1319239	-61774	2187966	.....	298114	59254209	3658176	.....	6.17	10253341	598550	.....	5.84

C. C. WANG

Director of Railway Department, Ministry of Communications